

For the financial year ended 30 June 2023

Corporate Governance Statement

Introduction

Chartered Accountants Australia and New Zealand (**CA ANZ**) was formed on 31 December 2014 through the amalgamation of The Institute of Chartered Accountants in Australia (**ICAA**) and the New Zealand Institute of Chartered Accountants (**NZICA**). Originally established under Royal Charter in 1928 as a body politic and corporate for the purpose of advancing the practice of accountancy in all its aspects and promoting quality, expertise and integrity in the profession, CA ANZ now has more than 136,000 members (**Members**) around the world.

CA ANZ is not a company but is a registered body under Part 5B.2 of the *Corporations Act 2001* (Cth) (**Corporations Act**) that carries on business in Australian states and territories, New Zealand and other overseas locations. As a registered body, CA ANZ is required to comply with only a limited number of sections of the Corporations Act. In New Zealand, NZICA retains its non-delegable regulatory functions pursuant to the *New Zealand Institute of Chartered Accountants Act 1996* (**NZICA Act**). NZICA's other functions have been delegated to CA ANZ and, under the Corporations Act, NZICA is a controlled entity of CA ANZ.

CA ANZ is a founding member of the ASX Corporate Governance Council that developed the Corporate Governance Principles and Recommendations, 4th edition (**ASX Principles**), which apply to entities listed on the Australian Securities Exchange. CA ANZ has voluntarily adopted the ASX Principles and has applied them to its own governance arrangements where it is relevant and appropriate to do so. This Corporate Governance Statement was approved by the board of directors (**Board**) of CA ANZ on 14 September 2023.

CA ANZ has four principal functions and operational areas:

- it is a membership body that represents and advances the interests of more than 136,000 Members globally and advocates in the legislative, regulatory and public policy arena;
- it is a conduct regulator that maintains the professional standing of the organisation and the Chartered Accountant (**CA**) designation, including by promoting compliance with a code of ethics and regulations for the standard of behaviour expected of Members and by holding them accountable to that standard. In New Zealand, NZICA remains the regulator of the profession;
- it is an Australian registered higher education provider⁽¹⁾ that sets exacting entry requirements to the profession through its CA Program. This program combines the rigour of postgraduate education through CA ANZ's Graduate Diploma of Chartered Accounting (**GradDipCA**) qualification with the application of learned skills in the workplace through the completion of three years of mentored practical experience. CA ANZ's GradDipCA is accredited with the Australian Government's Tertiary Education Quality and Standards Agency (**TEQSA**). As a regulated qualification it is recognised under the Australian Qualifications Framework, as a comparable qualification under the New Zealand Qualifications Framework and across the qualification frameworks of many other countries; and
- it provides Members with ongoing continuing professional development opportunities, including events and conferences, resources and tools to assist Members to develop their practices, their skills and their professional networks, and supports them to make a difference in the communities in which they work and live.

⁽¹⁾ in the category of 'Institute of Higher Education' (TEQSA Provider ID: PRV12024)

The corporate governance framework that CA ANZ has adopted to enable and facilitate the performance of its functions comprises:

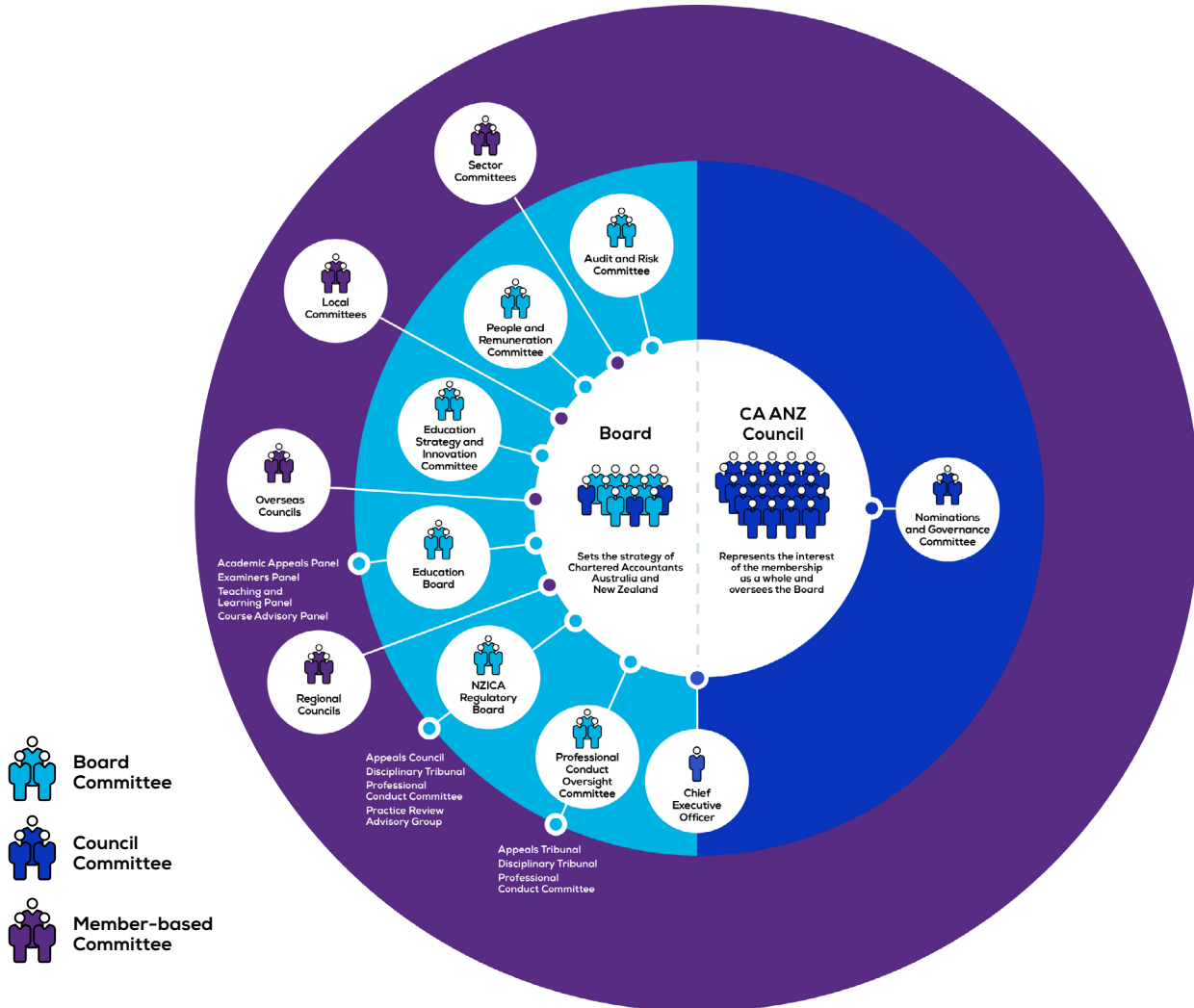
- a Council of Members (**Council**), which is responsible for approving awards to Members, approving life Members or honorary Members, providing input to the Board on key policy issues that will significantly impact Members and representing the interests of Members as a whole. The Council is also responsible for appointing directors to the Board, on recommendation of the Nominations and Governance Committee (**NGC**), a committee of the Council.

The Council appoints a President and two Vice Presidents (one of whom resides in Australia and the other in New Zealand) who serve as non-executive directors on the Board for the length of their tenure. The Council's standing committee (which is established by and is vested with powers under the By-Laws), the NGC, has a number of functions, including undertaking and overseeing performance evaluations of the Board, recommending remuneration levels for Board members and recommending candidates to the Council for appointment to the Board;

- the Board, which is responsible for managing and directing the affairs of CA ANZ and which is legally responsible for its operations. The Board is supported in this role by a number of standing committees of the Board and Member-based regional and overseas councils and sector committees; and
- a senior executive management team (**Executive Team**), which is led by a Chief Executive Officer (**CEO**). The CEO and Executive Team are responsible for the day to day operations of CA ANZ and for implementing CA ANZ's strategy. The CEO is not a director of the Board but reports to the Board, attends Board meetings and has her performance evaluated by the Board.

The corporate governance framework described above can be visually represented as follows:

Governance ecosystem



The legal and constitutional framework that governs CA ANZ consists of a Supplemental Royal Charter (**Royal Charter**) and By-Laws, which can only be amended by a resolution of Members and by subsequently being passed into law through the assent of the Governor-General of the Commonwealth of Australia. Any changes to the NZICA Act must be legislated through the New Zealand Parliament.

Changes to the NZICA Rules must be approved by a resolution of Members resident in New Zealand (for amendments to the body of the NZICA Rules), approved by the CA ANZ Board and NZICA Regulatory Board (for Appendix II amendments) or approved by the NZICA Regulatory Board (for amendments to Appendices I and III-VI), in line with the requirements of the NZICA Rules.

Principle 1:

Lay solid foundations for management and oversight

Roles and Responsibilities

The Board is the legal decision-making body of CA ANZ and has responsibility for the development and approval of strategy, monitoring the implementation of strategy by the CEO and Executive Team and oversight of CA ANZ's financial position and financial reporting.

The Board's main functions are to:

- ensure that strategic objectives are set and achieved;
- establish a policy framework within which the organisation must operate;
- ensure that the Board's committees appropriately discharge their functions;
- appoint, oversee and evaluate the performance of the CEO;
- ensure that CA ANZ maintains a robust process for identifying and managing risk; and
- ensure that CA ANZ adheres to high standards of ethics and corporate behaviour.

The Board has a charter which sets out its role and its responsibilities in more detail and provides guidance on the functions which it has reserved to itself.

During the 2023 financial year, the Board delegated certain responsibilities to its standing Board committees, being:

- the Audit and Risk Committee (**ARC**), which is responsible for assisting the Board with oversight of financial reporting, risk management and compliance systems, internal control systems, and internal and external audit arrangements;
- the People and Remuneration Committee (**PARC**), which is responsible for assisting the Board with oversight of people strategies and processes, organisational culture, remuneration policy and

strategy, the performance of the CEO and Executive Team, and CEO succession planning;

- the Education, Strategy and Innovation Committee (**ESIC**), which is responsible for assisting the Board with oversight of the commercial considerations (including continuous improvement and innovation) arising from CA ANZ's role as a tertiary education provider and more specifically in respect of its flagship education offering, the "CA Program";
- the Digital and Technology Committee (**DTC**), which was dissolved in February 2023, and was responsible for assisting the Board with oversight of CA ANZ's digital, data and technology related strategic activities and its digital framework, systems and processes;
- the Education Board, which is the delegated academic governing body of CA ANZ and responsible for ensuring that CA ANZ meets its obligations as a registered higher education provider regarding its higher education academic functions;
- the NZICA Regulatory Board, which is responsible for maintaining and enforcing compliance of Members resident in New Zealand (**NZ Members**) with the NZICA regulatory and disciplinary framework under the NZICA Act and the NZICA Rules and ensuring that NZICA fulfils its obligations as an accredited body under the *Auditor Regulation Act 2011* (NZ) (**Auditor Regulation Act**) and *Insolvency Practitioners Regulation Act 2019* (NZ) other enactments; and
- the Professional Conduct Oversight Committee (**PCOC**), which has oversight of the integrity, timeliness and effectiveness of the disciplinary functions for all CA ANZ Members (other than NZ Members) for which CA ANZ has responsibility.

Each committee has its own charter which sets out its role and responsibilities in more detail. The committees generally meet at least three times per year, or more frequently if required. Regular reporting on the activities of each committee is provided to the Board.

During the reporting period, the Board also established a special purpose committee, the Professional Conduct Framework Review Committee (**PCFRC**) to coordinate and oversee a review of CA ANZ's professional conduct framework - a comprehensive review of CA ANZ's By-Laws, the NZICA Rules, the CA ANZ Regulations and administrative arrangements underpinning CA ANZ's professional conduct and disciplinary functions in Australia and New Zealand (**PCF Review**). The PCFRC's terms of reference set out the committee's purpose and responsibilities, the frequency of meetings, and reports to be provided to the Board.

Under CA ANZ's By-Laws, the Board may delegate any of its powers or authorities to any director or employee of CA ANZ. The Board has delegated authority for the day to day operations of CA ANZ and the implementation of strategy to the CEO and the Executive Team but remains responsible for overseeing management's performance. The Board has put in place a delegation of authority matrix that describes the extent of powers that it has delegated to

Board committees, the CEO and the Executive Team (**Board Delegations**). The CEO and Executive Team may make further sub-delegations within specified parameters but remain accountable for the exercise of delegated powers. The Board has delegated authority to approve amendments to the Board Delegations to the Chair of the ARC.

As at 30 June 2023, CA ANZ has five wholly owned subsidiaries in Australia, Singapore, Malaysia, Hong Kong and the United Kingdom, which are consolidated into CA ANZ's annual financial statements. In New Zealand, CA ANZ is registered as an overseas registered branch office rather than a separate corporate entity. Separate to this, the NZICA Act requires regulatory and conduct functions relating to New Zealand Members to be undertaken by NZICA which is overseen by the NZICA Regulatory Board. The boards of CA ANZ's subsidiaries are comprised of a mix of executive and non-executive directors depending on the function and operational requirements of the subsidiary. The NZICA Regulatory Board is comprised of non-executive directors, some of whom are also directors of the Board and others who are independent (non-Members and/or not CA ANZ Board members). CA ANZ's corporate governance framework, including its risk management and compliance framework, applies to its subsidiaries and to its New Zealand branch office.

During the reporting period the Board met 9 times, with attendance as follows:

	Attended	Eligible
John Palermo FCA (Chair)	9	9
Murray Harrington FCA (President) - appointed 1 January 2023 (formerly New Zealand Vice President)	9	9
Kate Boorer FCA (former President) - term completed 31 December 2022	5	5
Carolyn Colley FCA	8	9
Grant Ellis FCA (New Zealand Vice President) - appointed 1 January 2023	3	4
Cheryl Hayman, Non-Member - retired 30 June 2023	9	9
Tinashe Kamangira FCA (Australian Vice President)	9	9
Traci Houpapa MNZM, Non-Member - appointed 1 January 2023	3	4
Robert (Rob) McDonald FCA	9	9

	Attended	Eligible
Sarah Petersen FCA	9	9
Glenda Scully FCA	9	9
Penny Stragalinos FCA	8	9
Christopher (Chris) Townend FCA – retired 30 June 2023	8	9

(On 1 July 2023, following the retirement of Cheryl Hayman and Chris Townend from the Board, Peeyush Gupta AM was appointed as a Non-Member director to the Board.)

The Board also held two joint Board and Council meetings during the reporting period.

Appointment of directors

CA ANZ's By-Laws provide that directors are appointed by the Council on recommendation of the NGC. A director (other than the President and Vice Presidents) generally serves a term of three years from appointment and is then eligible to stand for reappointment by the Council for two further terms of three years. A director must apply for reappointment for each successive term and the NGC has regard to its Board Renewal Policy in considering whether to recommend to the Council the reappointment of a director for an additional term.

If a Board vacancy arises, the NGC will conduct a search for a new director, having regard to the Board skills matrix to identify any skills or specialist knowledge that are required to fill potential skills gaps on the Board and to ensure ongoing alignment with CA ANZ's strategic direction. The NGC will also have regard to the requirement under the By-Laws that all but two directors must also be Members of CA ANZ. External consultants may be engaged to assist with the recruitment of appropriate candidates.

The NGC is mindful of the importance of inclusion and diversity in ensuring the Board reflects the diversity of CA ANZ's membership base. The NGC has set a target of 40:40:20 (male: female: any) for gender diversity on the Board and this target was met during the reporting period. More information about the current composition of the Board is set out below.

The NGC reviews a director's performance using various external and internal data points and interviews the director before making a recommendation to the Council for reappointment. Appropriate pre-appointment checks are conducted when a director is first appointed to the Board.

Service Agreements

On appointment and reappointment, directors are provided with written agreements that set out the terms of their appointment, including the required time commitment, remuneration arrangements (including any superannuation payable), the requirement to disclose material interests and any matter which may affect their independence, the requirement to comply with key policies including CA ANZ's code of conduct, CA ANZ's policy on seeking independent professional advice, indemnity and insurance arrangements, access to corporate records and ongoing confidentiality arrangements.

All senior executives, including the CEO and Executive Team, have contracts of employment that set out the terms and conditions of their employment, including rights and obligations in respect of the termination of their employment and the circumstances in which summary termination may occur. Appropriate checks are conducted for all new senior executives prior to execution of an employment contract.

Secretary

Members of the company secretariat team attend Board and Council meetings, as well as meetings of the ARC, PARC, Education Board, ESIC, NGC and DTC (prior to its dissolution), and are responsible for providing advice on corporate governance issues. The New Zealand Governance Leader provides secretarial support to the NZICA Regulatory Board. The Company Secretary is accountable to the Board and the Chair on all matters to do with the proper functioning of the Board.

Inclusion and Diversity

The Board considers that diversity, equity and inclusion (**DEI**) supports CA ANZ's strategy and values and allows CA ANZ to better meet its Members' diverse needs. As an employer, it also allows CA ANZ to compete for the widest possible pool of talent, attracting and retaining employees whilst also encouraging a variety of viewpoints that enhance problem-solving, continual improvement and innovation. More information on CA ANZ's DEI strategy for its workforce, the metrics that it adopts to measure progress and material developments during the reporting period can be found in its [2023 Annual Report](#) at pages 72 to 73.

As at 30 June 2023, the respective percentages of men and women on the Board, the CEO and in senior executive positions (defined as the Executive Team, excluding the CEO) were as follows:

	Number	Percentage
Board		
Men	6	50%
Women	6	50%
CEO		
Men		
Women	1	100%
Executive Team		
Men	5	45%
Women	6	55%

CA ANZ is a relevant employer under the Australian *Workplace Gender Equality Act 2012* (Cth) and complies with its reporting obligations under this legislation.

Performance of the Board and the Council

CA ANZ undertakes an annual performance review of the Board which is either conducted or overseen by the NGC.

Internal performance evaluations generally include completion of a questionnaire by directors, which may involve both self-assessment and directors

providing feedback on the performance of the Board committees and their fellow directors. Management feedback is also sought via questionnaires. The outcome of the performance evaluations is reviewed by the NGC and then provided to the Board and the Council.

CA ANZ periodically engages a specialist provider to conduct an external Board performance evaluation. During the reporting period, an external provider completed a comprehensive Board performance evaluation which included questionnaires and interviews with directors and other stakeholders, attendance at Board meetings and review of meeting papers. Results of the evaluation were presented to the NGC, the Board and the Council.

The NGC also conducted a self-assessment review of the performance of the Council, which included completion of a questionnaire by Councillors, with a report on the outcome presented to the Council.

Performance of senior executives

Each year, the CEO reviews the Executive Team's performance and reports to the PARC and the Board.

Each executive is assessed based on:

- role modelling CA ANZ's values and preferred culture;
- effective contribution to the enterprise risk framework;
- leadership of specific business and strategic objectives; and
- achievement of the organisation's key performance indicators.

Members of the Executive Team are eligible to participate in the Executive Performance Incentive Plan (**EPIP**), which provides for an incentive payment of up to 20% of their fixed remuneration as the variable component of their contract of employment. Payment of any Executive Performance Incentive (**EPI**) requires satisfaction of gatekeeper measures which relate to achievement of the organisation's budgeted financial result, collective contribution to effective

enterprise risk management and performance against CA ANZ values as determined by the CEO. During the reporting period, executive performance was measured on a 60:40 split of shared enterprise-wide goals and individual KPIs, which included a combination of financial and non-financial outcomes.

Performance of the CEO

The CEO's remuneration is comprised of base salary and an at-risk component. During the reporting period, the CEO's KPIs were set by the Board, following consultation between the CEO and the PARC Chair and the PARC's recommendation for approval by the Board. The CEO's progress is subject to a continuous feedback loop, with the CEO providing regular updates to the Board and receiving feedback from the Board Chair and the Chair of PARC. The CEO's performance is measured against a series of quantitative and qualitative measures and a recommendation is then made by the PARC to the Board.

Principle 2:

Structure the board to add value

Nominations and Governance Committee

The NGC is a standing committee of the Council and is comprised of the Board Chair, the President and up to three independent Members. During the reporting period the committee's composition was as follows:

- Tim Gullifer FCA, the Chair of the NGC and an independent Member;
- Murray Harrington FCA, President (member of the NGC with effect from 1 January 2023, following appointment as President);
- Kate Boorer FCA, Former President (member of the NGC until the end of her term as President, effective 31 December 2022);
- Michael Coleman FCA, an independent Member;
- Michele Embling FCA, an independent Member, who retired from the committee on 30 June 2023; and
- John Palermo FCA, the Chair of the Board.

The CEO is also eligible to attend and speak at NGC meetings but is not entitled to vote.

In relation to the independent Members of the NGC:

- the NGC Chair is required by the By-Laws to have substantial relevant experience and the other two independent Members to have significant governance experience; and
- By-Law 106W includes a definition of 'independent' and identifies interests, positions and relationships relevant to assessing the independence of NGC members which are considered by the Council in determining whether to appoint or reappoint a member to the committee. The definition and factors identified are adopted from guidance regarding independence included under Recommendation 2.3 of the ASX Principles.

By-Law 106W provides for a person to be taken to be independent when specific criteria are satisfied. The Chair of the NGC, Tim Gullifer, and the other two independent Members, Michele Embling and Michael Coleman, have satisfied these requirements and are considered to be independent.

Members of the NGC (other than the President and Board Chair) are appointed for an initial term of three years and are able to be reappointed for two further three-year terms (allowing a maximum tenure of 9 years), to provide for a longer corporate memory and orderly committee renewal and to align with tenure provisions for the Board.

In June 2023, the Council resolved to appoint a new independent Member, Anne Urlwin FCA, effective 1 July 2023 and to reappoint Tim Gullifer to the NGC for a further three-year term upon the expiry of his current term of appointment.

During the reporting period the NGC met five times, with attendance as follows:

	Attended	Eligible
Tim Gullifer FCA (Chair)	5	5
Murray Harrington FCA (President) – appointed 1 January 2023	2	2
Kate Boorer FCA (Former President) – term completed 31 December 2022	3	3
Michael Coleman FCA	5	5
Michele Embling FCA – retired 30 June 2023	5	5
John Palermo FCA (Board Chair)	5	5

As set out in the By-Laws, the functions of the NGC are to:

- identify and recommend candidates to the Council for appointment to the Board and Council;

- vet and endorse any individual Member nominated to serve as a representative on Council under By-Law 106AA;
- develop skills matrices, selection criteria, succession plans, codes of conduct, training and any other requirements for the Board;
- recommend to the Council remuneration levels for Board members (excluding the Chair);
- undertake and oversee evaluations of the Board and report the results to the Council and the Board; and
- monitor and evaluate governance processes between the Council, Board, management, and the NGC.

The Charter of the NGC expands on its functions and can be found at Appendix 5A of the CA ANZ [Governance Manual](#).

Board skills matrix

The Board skills matrix is developed and maintained by the NGC (supported by the company secretariat team). The skills matrix is reviewed annually by the NGC in order to ensure that the Board is constituted to best align with CA ANZ's strategic objectives. The

Board skills matrix provides an evaluation of the technical and soft skills, knowledge and experience of directors and also helps to ensure diversity of gender, age, geography and other different perspectives.

During the reporting period, the NGC reviewed the Board skills matrix in order to identify potential skills gaps on the Board and to plan for future succession, having regard to the retirement and appointment of office bearers as directors of the Board, the retirement of two directors, effective 30 June 2023 (on completion of their terms), and the NGC's recommendation for the appointment of a new non-Member director. More information regarding directors' sector experience and Board tenure can be found in CA ANZ's [2023 Annual Report](#) at pages 91 to 92.

The Board skills matrix includes the skills and experience considered by the NGC to be important for directors to have collectively, acknowledging that some skills can be better provided by external expert providers (such as legal professionals). Collective results from skills self-assessments completed by directors who were members of the Board as at 30 June 2023 are as follows:

Skills/experience	Description	Level of expertise
Leadership	Holding senior executive or non-executive positions of leadership in business, private practice, government, or the non-profit sector.	Expert
Governance	Experience of working in an environment with a publicly stated commitment to the highest standards of governance.	Expert
Strategy	Experience in building and executing strategy, ability to identify and critically assess strategic opportunities and threats.	Expert
Financial acumen	Expertise in financial accounting and reporting corporate and internal financial controls, including an ability to probe the adequacies of financial and risk controls.	Expert
Board and directorships	Previous directorships with sophisticated, contemporary governance structures and accompanying policies and processes.	Expert
Change management and disruption	Experience in designing or overseeing a significant transformational change agenda for an organisation; experience of an organisation that has faced external disruptive change.	Expert
Crisis management	Exposure to managing significant internal crisis or reacting to a significant external crisis.	Expert
Capital projects	Experience working in an industry with projects involving large-scale capital outlays and long-term investment horizons.	Expert

Skills/experience	Description	Level of expertise
Risk and compliance	Experience in building and utilising risk and compliance frameworks and systems; ability to identify key risks to the organisation in a wide range of areas.	Expert
Talent and culture	Experience in talent management and other strategies to build capability and cognitive diversity within a workforce and to develop future leaders.	Proficient
Executive coaching and mentoring	Experience of managing and developing C-suite executives, setting and measuring performance against KPIs.	Proficient
Inclusion and diversity	Experience in developing and implementing inclusion and diversity strategies within a workforce.	Proficient
Work, health and safety	Understanding of WHS legislation and directors' duties to prevent/minimise risk in the workplace. Experience in programs implementing health and safety safeguards, including mental health and physical wellbeing.	Proficient
Remuneration	Experience of designing remuneration frameworks, including long and short-term incentive structures.	Proficient
International	Experience working in an organisation with global operations or requiring management of international stakeholder relationships.	Proficient
Sustainability	Experience in creating economically, socially and environmentally sustainable strategy and to set and monitor sustainability aspirations.	Proficient
Corporate activity	Experience in large scale mergers & acquisitions involving the management of various stakeholder groups and/or regulators; experience in significant corporate restructures.	Proficient
Wellbeing	Experience in developing and implementing wellbeing strategies within a workforce.	Proficient
Regulatory and public policy	Experience in the identification and resolution of legal and regulatory issues. Experience in public and regulatory policy, including how it affects corporations.	Proficient
Membership organisation	Experience with Membership-based bodies at a senior level and of engaging with Members.	Proficient
Data analytics and AI	Experience in using data analytics and business intelligence tools.	Proficient
Advocacy and influence	Experience in an organisation that practices bold, public advocacy and works to influence public opinion.	Proficient
Workplace flexibility	Experience in designing flexible, agile and innovative workplaces.	Proficient
Privacy and cyber security	Experience of data management, data governance frameworks and cyber-security frameworks.	Proficient
SME	Experience in managing, leading or owning small and medium sized enterprises or accounting practices.	Skilled
Digital delivery	Experience of a business that uses digital platforms as a key channel to deliver products and services.	Skilled
Enhanced assurance	Experience in quality reviews or non-traditional audit modes of assurance.	Skilled
Conduct and professional standards	Experience of monitoring and enforcing professional standards and codes of conduct.	Skilled
Digital transformation and delivery	Experience in building a data strategy and implementing new data architecture; experience in transforming IT platforms and applications.	Skilled
Digital engagement	Experience in building a multi-channel engagement strategy for customer engagement, utilising customer data to create a personalised customer engagement model and derive customer insights.	Skilled
Brand and marketing	Experience in building an organisation's brand and brand assets to raise its profile and differentiate it from peers and competitors.	Skilled

Skills/experience	Description	Level of expertise
Learning and education - operational	Operational or commercial experience in a learning, education or TEQSA regulated environment. ⁽¹⁾	Skilled
Climate change	Experience in analysing and mitigating the direct or indirect risks posed to an organisation by climate change.	Skilled
Learning and education - academic	Academic background and experience in learning and education or working in a TEQSA regulated environment. ⁽¹⁾	Developing but note delegation to Education Board
Legal	Qualified lawyer with experience in corporate and commercial law in private practice or in-house.	None – expert providers engaged

⁽¹⁾ The Education Board has specialist expertise in these areas.

Expert: Extensive experience in senior executive or non-executive director roles, likely with relevant qualifications (if applicable).

Proficient: Intermediate to extensive experience, likely with relevant qualifications (if applicable).

Skilled: Between one – five years of experience of the relevant skill.

Developing: A basic understanding of the skill, with limited direct experience of practice of the skill.

Independence of directors

Directors are considered to be independent where they are independent of management and free of any interest, position, association or relationship that could (or could reasonably be perceived to) materially influence their capacity to bring independent judgement to bear on issues before the Board, or to act in the best interests of CA ANZ and its members as a whole.

As required by the By-Laws, during the reporting period, the Board comprised between 10 to 12 non-executive directors, including the CA ANZ President and two Vice Presidents. The Chair of the Board is John Palermo, who is considered to be independent by the Board. The Chair does not also hold the position of CEO.

The President and the two Vice Presidents are members of the Board for the term of their appointment as office bearers.

It is a requirement under CA ANZ's By-Laws that at least 10 out of the 12 Board members are Members of CA ANZ. This constitutional requirement can result in a director having interests or holding positions which, having regard to the guidance in Recommendation 2.3 of the ASX Principles, may cause the Board to consider that director not to be independent. However, all directors are considered to bring independent judgement to bear on matters to be considered by the Board.

During the reporting period, the members of the Board were as follows:

Directors to 30 June 2023	Date of appointment	Independence assessment – Recommendation 2.3 of the ASX Principles
John Palermo FCA (Chair)	1 October 2015 (casual vacancy)	Independent; CA ANZ Member
Murray Harrington FCA (President)	1 January 2021	Independent; CA ANZ Member
Carolyn Colley FCA (Chair of DTC)	17 May 2021 (casual vacancy)	Independent; CA ANZ Member
Grant Ellis FCA (New Zealand Vice President)	1 January 2023	Independent; CA ANZ Member
Cheryl Hayman	1 January 2018	Independent; Non-Member director
Traci Houppa	1 January 2023	Independent; Non-Member director

Directors to 30 June 2023	Date of appointment	Independence assessment – Recommendation 2.3 of the ASX Principles
Tinashe Kamangira FCA (Australian Vice President)	1 January 2022	Not independent – director of Deloitte Australia which has provided some services to CA ANZ and some of whose employees are Members and candidates enrolled in CA ANZ’s education programs. The Board does not believe that this compromises Mr Kamangira’s position as a director as conflicts of interests measures are in place to ensure that Mr Kamangira does not participate in, or vote on, any decisions that involve or impact Deloitte Australia. CA ANZ Member.
Robert (Rob) McDonald FCA (Chair of PARC)	1 January 2018	Independent; CA ANZ Member
Sarah Petersen FCA	1 January 2020	Independent; CA ANZ Member
Glenda Scully FCA	14 February 2022	Independent; CA ANZ Member
Penny Stragalinos FCA	1 January 2017	Not independent – partner of KPMG which provides services to CA ANZ and some of whose employees are Members and candidates enrolled in CA ANZ’s education programs. The Board does not believe that this compromises Ms Stragalinos’ position as a director as conflicts of interests measures are in place to ensure that Ms Stragalinos does not participate in, or vote on, any decisions that involve or impact KPMG. CA ANZ Member.
Christopher (Chris) Townend FCA (Chair of ARC)	1 January 2018	Independent; CA ANZ Member
Former Director (term completed during the reporting period)		
Kate Boorer FCA (Former President – term completed 31 December 2022)	1 January 2021	Independent; CA ANZ Member

The Board considers a standing declaration of interests, positions and relationships for all directors at each Board meeting. Any change in these interests, positions or relationships is reported by a director to the Chair or Company Secretary as soon as possible and notified to all directors at the next Board meeting. Any director who considers that they may either have a conflict of interest or be in a position of potential conflict must notify the Chair or Company Secretary upon becoming aware of the conflict. Depending on the nature and extent of the actual or potential conflict, measures taken may include ensuring that the director does not receive Board or committee papers related to the matter or participate in discussions or decisions relevant to the matter.

Board induction and education

As part of the appointment process, all new directors receive an induction pack, including detailed information outlining their duties and responsibilities, and meetings are arranged with the Board Chair, CEO and members of the Executive Team. Directors are also invited to attend an annual orientation day which includes presentations from the Board Chair, CEO and Group Executive, General Counsel and Corporate Assurance, to ensure that they are familiar with CA ANZ’s governance structure and key business and strategic issues.

The Board receives continuing education and development through internal and external presentations (including specific presentations scheduled for Board development purposes) and strategic sessions with the Executive Team.

Principle 3:

Instil a culture of acting lawfully, ethically and responsibly

Articulate and disclose values

CA ANZ's strategic direction and purpose are supported by its five values, which are:

- collaborate for success;
- integrity in all we do;
- embrace diversity;
- accountable to ourselves and others; and
- passion to grow and improve.

These five values are embedded into CA ANZ's Code of Conduct which is described further below.

Code of Conduct

CA ANZ's Code of Conduct applies to all of CA ANZ's people, which is defined to include employees, contractors, non-executive directors and all other governance body members when acting in a representative capacity for CA ANZ. The Code of Conduct reflects, and has been designed to reinforce, CA ANZ's purpose and its five values and sets minimum standards of behaviour for all of CA ANZ's people. The Code of Conduct also provides for various sanctions to be applied in the case of a breach of the Code. Material breaches of the Code of Conduct are reported to the Board and the ARC and/or PARC as appropriate.

A copy of the Code of Conduct can be found at Section 12 of the [Governance Manual](#).

Whistleblower Policy

CA ANZ is committed to a corporate culture that encourages the reporting and investigation of misconduct or serious wrongdoing. CA ANZ complies with whistleblower protection legislation. On 1 January 2020, CA ANZ voluntarily implemented a

[Whistleblower Policy](#) to protect whistleblowers. The policy includes the implementation of a third-party anonymous whistleblowing reporting service, [Whispli](#).

Once a report is lodged through Whispli, it is relayed to the person appointed from time to time by the Board as the Whistleblower Protection Officer, who is currently the Group Executive, People & Culture. If a report concerns either the CEO or a member of the Executive Team, the report is instead sent to the ARC Chair. The matter will then be investigated and appropriate reporting provided to the Board and/or the ARC or PARC as part of the investigation.

The Board reviews the [Whistleblower Policy](#) annually, with the most recent review completed on 26 May 2023.

Anti-Bribery and Corruption Policy

CA ANZ is committed to conducting its business with honesty and integrity and to ensuring high ethical standards are demonstrated in our actions and business relationships. In FY21, CA ANZ developed an Anti-Bribery and Corruption Policy ([ABC Policy](#)) which took effect in the 2022 financial year. The ABC Policy applies to all of CA ANZ's people and sets out key principles and standards that govern CA ANZ's approach to meeting its anti-bribery and corruption obligations in the countries within which it operates. Due to potential connections between bribery and corruption and modern slavery, our ABC Policy also provides a level of assurance from a modern slavery perspective.

Any breach of the ABC Policy will be reported to the Board and the ARC, as appropriate.

Principle 4:

Safeguard the integrity of corporate reports

Audit and Risk Committee

The ARC is a standing committee of the Board. During the reporting period, its members were:

- Chris Townend FCA (ARC Chair)
- Murray Harrington FCA; and
- Penny Stragalinos FCA.

Chris Townend and Murray Harrington are considered to be independent directors by the Board. For the reasons set out above, Penny Stragalinos is not considered to be independent.

All members of the ARC are FCAs with significant experience in financial reporting and risk. Chris Townend worked as a Chief Financial Officer in his executive career in organisations in Australia and New Zealand. He is a volunteer member of the Audit and Risk Committee of the Uniting Church in Australia Queensland Synod and the former Chair of the Audit, Risk and Compliance Committee of UnitingCare Queensland. Murray Harrington was previously a partner in PwC New Zealand where he provided a range of services, including risk advisory, consulting and financial advisory. He now holds a number of directorships and governance roles in different sectors and is an executive director of a private equity firm in New Zealand. Penny Stragalinos is an audit partner at KPMG, with 30 years' experience as an external auditor and accounting and risk advisor. She was previously the COO of KPMG's Audit, Assurance and Risk Consulting Practice, a director and Chair of the Audit, Risk and Compliance Committee of Victorian Opera, and a member of the Audit Committee for The Committee for Economic Development of Australia.

Under the terms of its [charter](#) (as set out in CA ANZ's Governance Manual), the key objective of the ARC is to support the Board in fulfilling its

corporate governance and oversight responsibilities regarding CA ANZ and any trusts and/or legal entities established or managed by CA ANZ. This responsibility includes:

- review of financial performance and financial reporting;
- oversight of risk management, compliance and internal control systems; and
- oversight of internal and external audit arrangements.

During the reporting period the ARC met 6 times, with attendance as follows:

	Attended	Eligible
Chris Townend FCA (ARC Chair)	6	6
Murray Harrington FCA	5	6
Penny Stragalinos FCA	6	6

CEO and CFO declaration

Before the Board approves CA ANZ's financial statements for a financial period, it receives a certificate from the CEO and Group Executive – Finance, Strategy and Technology aligned with the directors' declaration to be made, stating that the 2023 financial report for the CA ANZ Group, comprising the financial commentary, consolidated financial statements and notes:

- complies with relevant Australian accounting standards and other mandatory professional reporting requirements; and
- presents fairly the financial position of the Group as at 30 June 2023 and the results of the Group's operations and its cash flows for the year ended 30 June 2023.

The certificate also confirms that the financial records of the CA ANZ Group for the year ended 30 June 2023 have been properly maintained and that the certification provided has been given on the basis of a sound system of risk management and internal control which is operating effectively.

External auditor

Grant Thornton was appointed as the external auditor of CA ANZ following a vote of Members at the 2019 Annual General Meeting (**AGM**) and has provided an audit opinion in respect of the financial statements of CA ANZ for the year ended 30 June 2023.

The external auditor's performance is reviewed annually. The external auditor provides an annual declaration of independence to the ARC.

While CA ANZ is not subject to the mandatory rotation of audit partners, it voluntarily adopts this practice.

The Lead Audit Partner or Lead Audit Director from Grant Thornton will attend the 2023 AGM and will be available to answer questions from Members regarding:

- the conduct of their audit, and the preparation and content of their Independent Auditor's Report;
- the accounting policies CA ANZ adopts regarding the preparation of the financial statements; and
- their independence in relation to the conduct of the audit.

Verification of unaudited reports

As CA ANZ is not a publicly listed company and does not have shareholders, it does not release quarterly activity reports, quarterly cash flow reports or other periodic corporate reporting that investors might rely upon when making investment decisions. However, it does issue some periodic corporate reports to which Recommendation 4.3 of the ASX Principles would apply.

Our 2023 Annual Report includes a verification statement which sets out CA ANZ's process to verify the integrity of the information included in the sections of the Annual Report that are not subject to an external audit.

All non-financial metrics in the 2023 Annual Report have been verified through the following internal verification process:

- sections of the Annual Report are prepared by subject matter experts;
- all material statements and metrics are reviewed for accuracy and signed off by the subject matter experts as being supported by first-hand knowledge and/or documented evidence (**Confirmations**);
- the CEO and Executive Team review the material statements and Confirmations, and collectively attest to their completeness (**Verification Attestation**);
- the ARC reviews and endorses the draft Annual Report on the basis of the Verification Attestation provided by management; and
- the Board reviews and considers all sections of the Annual Report and the Verification Attestation as part of Board discussions prior to final approval of the Annual Report.

An internal verification process is also applied to verification of material statements and data published in this Corporate Governance Statement and will be applied to our Modern Slavery and Human Trafficking Statement 2023.

Principle 5:

Make timely and balanced disclosure

Continuous disclosure

As CA ANZ is not a listed company and does not have shareholders, it is not subject to the ASX Listing Rules nor to the obligation to make continuous disclosure to the market and to investors. As such, Recommendation 5.1 of the ASX Principles does not apply to CA ANZ.

Market announcements

As CA ANZ is not a listed entity and does not provide announcements to the market, Recommendation 5.2 does not apply to it. However, the Board is provided with regular reporting from the CEO in respect of all significant media releases or advocacy submissions.

Investor and analyst presentations

As CA ANZ is not a listed entity and does not provide announcements to the market, Recommendation 5.3 does not apply to it. The Board and Council are kept informed of all material Member communications and updates, and statements are provided on CA ANZ's website in response to significant developments, events or matters of importance to Members and the profession.

Principle 6:

Respect the rights of members

Governance information

CA ANZ's website contains multiple sections that address the governance of the organisation, as well as copies of its annual reports, Royal Charter, By-Laws, Regulations, the NZICA Act, the NZICA Rules, Governance Manual and details of its directors, councillors and Executive Team. The website also includes information on CA ANZ's AGM, voting and election processes.

Communication with Members

CA ANZ has a dedicated Public Affairs team and Member Engagement team whose functions include ensuring that there is two-way communication with Members and that Members are kept informed in a timely manner of key issues that impact Members.

CA ANZ has implemented the MyCA Member portal which provides Members with access to recommended content, course events, LinkedIn learning and many other tools and resources. A space within this portal is MyCA Groups, which facilitates Members connecting on various topics of interest.

CA ANZ maintains several communication channels with its Members, including Acuity, our Member-led magazine that is published bi-monthly and represents the CA ANZ brand, President's views, and Members and their contributions to society. More than 80,000 copies of Acuity are distributed globally in either print or digital format. The digital site, www.acuitymag.com, contains material from the magazine plus 10 original, digital-only stories per month. It offers a high volume of content across multiple channels with approximately 312 articles per year via print and digital channels.

CA ANZ also uses social media platforms such as LinkedIn, Facebook and Twitter/X as well as its website www.charteredaccountantsanz.com to communicate with Members.

Members are given the option to receive communications to and from CA ANZ electronically, with the significant majority of CA ANZ Members choosing this option.

Participation in Annual General Meetings

CA ANZ has historically encouraged Members to participate in its AGM by holding the AGM in different geographical locations in Australia and New Zealand. However, due to public health concerns associated with COVID-19, as well as travel restrictions and government requirements for social distancing, the 2020 and 2021 AGMs were held online.

The Board was pleased to observe that holding these AGMs online significantly increased Member participation, with Members in various locations in Australia, New Zealand and overseas able to attend the meeting without incurring the expense and effort of having to travel to a physical location. The 2022 AGM was also held online, again with increased attendance compared with prior in-person meetings.

To provide all Members with the same opportunity to participate in the AGM, and to avoid the additional cost and effort required for Members to attend in-person, the 2023 AGM will again be held as a virtual meeting at 11am Australian Eastern Daylight Time on 20 October 2023. A notice of meeting with instructions on how to participate in and ask questions at the AGM will be sent to Members in advance of the meeting and published on CA ANZ's website.

Proposed amendments to CA ANZ's By-Laws and the NZICA Rules arising from the outcomes of the

Professional Conduct Framework Review completed in May 2023 will be subject to a separate Member vote which will close on the date of the AGM. A notice of Member vote, which will include an explanatory memorandum outlining the proposed changes, will be sent to Members in September 2023 and will also be available on CA ANZ's website.

CA ANZ holds AGMs for each of its regional areas in Australia, New Zealand and overseas, with notices of meeting published on its [website](#).

Voting on resolutions by a poll

CA ANZ's By-Laws provide that all Members who are eligible to vote are entitled to one vote each at an AGM, irrespective of whether voting is conducted on a show of hands or by poll. Where resolutions are to be considered by Members at a virtual or hybrid AGM, the Chair will ensure that voting is conducted on those resolutions in a way that accurately captures valid votes cast by Members who attend the meeting in person, by proxy or electronically by use of technology.

Principle 7:

Recognise and manage risk

Audit and Risk Committee

The ARC is tasked with overseeing CA ANZ's enterprise risk management framework. Information in relation to the composition of the ARC and the number of meetings held during the reporting period is set out above.

Enterprise Risk Management Framework

On recommendation from the ARC, the Board reviews and approves the CA ANZ Group Risk Management Framework, including the Risk Management Policy and Risk Appetite Statement, on an annual basis for the purpose of satisfying itself that the framework is sound and that there are ongoing continuous improvement action plans in place. This review took place during the reporting period and the Board remains satisfied that CA ANZ is operating with due regard to the risk appetite set by the Board.

Further information on CA ANZ's approach to risk management and material developments during the reporting period can be found at pages 78 to 82 of the [2023 Annual Report](#).

Internal audit

Crowe provides internal audit services to CA ANZ. An annual internal audit program is agreed in advance with the ARC and periodic reporting on progress is provided to the ARC by Crowe.

Further information on CA ANZ's internal audit program and material developments during the reporting period can be found at page 78 of the [2023 Annual Report](#).

Digital and Technology Committee

Prior to its dissolution in February 2023, the DTC, a standing committee of the Board, also played a role in the management of risk and had responsibility for monitoring CA ANZ's digital framework, systems and processes, including ensuring that CA ANZ had appropriate risk management strategies in place to manage its digital, technological and cyber risks and the governance and security of its data. The DTC also assisted the Board in fulfilling its responsibilities in connection with the oversight of CA ANZ's digital, data and technology related strategic initiatives. The Board determined to dissolve the DTC in order to reduce duplication between the DTC's cyber risk focus and the ARC's focus on the same risks, and to enable a whole-of-Board focus on digital transformation and technology matters, including key strategic initiatives related to CA ANZ's digital transformation.

Under its charter, the DTC was to comprise at least three members. During the reporting period, the members of the DTC were:

- Carolyn Colley FCA (DTC Chair);
- Tinashe Kamangira FCA; and
- Cheryl Hayman.

As set out above, Carolyn Colley and Cheryl Hayman are considered independent directors and Tinashe Kamangira is not considered to be independent.

During the reporting period (to the date of dissolution of the committee), the DTC met as follows:

	Attended	Eligible
Carolyn Colley FCA (Chair)	2	2
Cheryl Hayman, Non-Member	2	2
Tinashe Kamangira FCA	2	2

Economic, environmental and social sustainability risks

CA ANZ is committed to positive action in respect of climate change and assisting its Members to play an important part in facilitating organisations to adapt to, and mitigate against, climate change risk. Further information on CA ANZ's approach to sustainability and ESG more broadly and material developments during the reporting period can be found at pages 59 to 63 of the [2023 Annual Report](#).

An important element of ensuring that CA ANZ remains a sustainable professional body is ensuring that the CA Program remains relevant and contemporary for future Members and employers. CA ANZ also resources the independent professional conduct and disciplinary bodies and operates a quality and practice reviewer program for its Members, except for New Zealand resident Members, who fall within the remit of the NZICA Regulatory Board. This oversight is critical to ensuring the integrity and sustainability of the CA designation and CA ANZ as an organisation. Four committees of the Board, being the Education Board, the ESIC, the NZICA Regulatory Board and the PCOC all play important roles in achieving these goals. The PCFRC, a special purpose committee established by the Board during the reporting period to lead the PCF Review, has also been integral to CA ANZ's actions to further strengthen its conduct and disciplinary framework, in order to ensure it remains robust and in line with current global best practice. More information on each committee is set out below.

Education Board

During the reporting period, the Education Board was comprised of 6 members, as follows:

- Professor Gregor Kennedy, Deputy Vice-Chancellor (Academic), University of Melbourne (Chair) (retired 23 February 2023);
- Dr Elizabeth Deane, Independent Higher Education Consultant (Chair) (appointed 24 February 2023);
- Professor Jacqueline Birt CA, Professor of Accounting, Head of Accounting and Finance, University of Western Australia;

- Professor Lisa Marriott FCA, Professor of Taxation, Victoria University of Wellington, New Zealand (appointed to the Education Board with effect from 1 January 2023);
- Associate Professor John Medlin FCA, Academic Director, UniSA Online, University of South Australia;
- Dr Felicity Reid, Acting Pro Vice-Chancellor Learning and Teaching, Auckland University of Technology;
- Associate Professor Amanda White CA, Associated Professor, Accounting Discipline Group, Deputy Associate Dean Education (Learner Experience), University of Technology Sydney; and
- Dr Norman Wong FCA, Professor of Accounting, Head of Department of Accounting and Finance, University of Auckland (retired 18 September 2022).

All members are considered to be independent by the Board.

Under the terms of its [charter](#), the Education Board's primary responsibilities are to:

- function as the delegated academic governing body of CA ANZ;
- ensure the academic functions, authorities and responsibilities of a registered Higher Education Provider are upheld on behalf of the CA ANZ Board;
- assure academic oversight and leadership to CA ANZ's higher education programs in all its normal and reasonable capacity as expected of a registered Higher Education Provider;
- approve changes to academic policies consistent with the Education Board's delegated authority and recommend to the CA ANZ Board changes required to other CA ANZ policies;
- recommend to the CA ANZ Board changes to the CA ANZ By-Laws and Regulations in relation to the admission of Members consistent with the Education Board's remit; and
- provide academic oversight on all programs that lead to entry into a CA ANZ higher education program and/or membership, including CA ANZ accredited university and other higher education provider entry pathways.

During the reporting period the Education Board met five times, as follows:

	Attended	Eligible
Professor Gregor Kennedy (Chair) - retired 23 February 2023	3	3
Dr Elizabeth Deane (Chair) - appointed 24 February 2023	2	2
Professor Lisa Marriott FCA - appointed 1 January 2023	2	2
Professor Jacqueline Birt CA	5	5
Associate Professor John Medlin FCA	4	5
Dr Felicity Reid	5	5
Dr Amanda White CA	4	5
Dr Norman Wong FCA - retired 18 September 2022	2	3

ESIC (formerly the CA X Committee)

Following the launch of the new CA Program, the role and responsibilities of the CA X Committee were reconsidered and the committee was renamed the Education Strategy and Innovation Committee. The ESIC oversees and monitors CA ANZ's strategy to develop the skills and capabilities of its Members and future Members through the design and provision of contemporary, high quality, future-focused education programs. Its other responsibilities include:

- monitoring and reviewing the continuing relevance of CA ANZ's education offering and its partnerships in the market for Members and employers, ensuring the skills and capabilities developed are appropriate for the future and for enabling and supporting Members to be Difference Makers;
- ensuring the business model for the delivery of education programs includes investment in continuous improvement and innovation to ensure programs evolve, remain relevant and future-focused, and avoid the need where possible, for large scale intervention initiatives to modernise programs; and
- ensuring the consideration, development and realisation of the commercialisation of education offerings and intellectual property are strategically valuable and aligned with CA ANZ's interests.

The ESIC is chaired by a non-Member, Kean Selway, a former Executive Vice-President Futures and Chief Operating Officer of Deakin University, who is an independent subject matter expert. The committee's other members are John Palermo, the Chair of the Board and Professor Glenda Scully, a Board member and the Director of Finance, Infrastructure and Digital Technology at Catholic Education Western Australia, and an Emeritus Professor at Curtin University.

The CEO, the Group Executive - Education and Marketing and members of management attend each meeting. All other Board members have a standing invitation to attend as observers. More information about the functions and responsibilities of ESIC can be found in its [charter](#).

During the reporting period the ESIC met three times, as follows:

	Attended	Eligible
Kean Selway, Non Member (Chair)	3	3
John Palermo FCA	3	3
Glenda Scully FCA	3	3

NZICA Regulatory Board and PCOC

The PCOC is established to oversee the performance of professional conduct functions and powers of the three disciplinary bodies established under Section 5 of the By-Laws, the Professional Conduct Committee, the Disciplinary Tribunal and the Appeals Tribunal (**Disciplinary Bodies**). Its powers and duties are set out in the By-Laws. In New Zealand, the role is performed by the NZICA Regulatory Board, which is the governing body responsible and accountable for ensuring NZICA's regulatory functions are carried out under the NZICA Act, the NZICA Rules and other applicable legislation. The NZICA Regulatory Board also fulfils the statutory role of the NZICA Executive Board under the NZICA Act.

During the reporting period, the NZICA Regulatory Board comprised:

- Stephen Walker FCA (Chair);
- Murray Harrington FCA ex-officio as New Zealand Vice President, with full speaking and voting rights (retired 31 December 2022);
- Grant Ellis FCA ex-officio as New Zealand Vice President, with full speaking and voting rights, (appointed to the NZICA Regulatory Board 1 January 2023);

- Dale La Hood;
- Rob McDonald FCA;
- Sarah Petersen FCA; and
- Traci Houpapa MNZM (appointed to the NZICA Regulatory Board 1 May 2023).

All members of the NZICA Regulatory Board are considered by the Board to be independent, having regard to the factors for assessing independence set out in Recommendation 2.3 of the ASX Principles.

The main functions of the NZICA Regulatory Board are to:

- control and regulate the practice of the profession of accountancy by CA ANZ Members in New Zealand;
- prescribe the code of ethics and maintain and monitor Members' compliance with the code and professional standards and the NZICA Rules;
- monitor Members' compliance with the Auditor Regulation Act and other enactments that relate to the practice of accountancy; and
- carry out the functions and responsibilities that are conferred on it by the NZICA Act, the NZICA Rules, the By-Laws and any other enactment.

More information about the work of the NZICA Regulatory Board can be found at Section 7 of the [Governance Manual](#).

During the reporting period the NZICA Regulatory Board met as follows:

Name	Role	Attended	Eligible
Stephen Walker FCA	Chair	6	6
Murray Harrington FCA	Ex-Officio as NZ Vice President to 31 December 2022. Also CA ANZ Board Director	3	3
Grant Ellis FCA	Ex-Officio as NZ Vice President from 1 January 2023. Also CA ANZ Board Director	3	3
Dale La Hood	Independent (Non-Member)	6	6
Robert (Rob) McDonald FCA	Member. Also CA ANZ Board Director	6	6

Name	Role	Attended	Eligible
Sarah Petersen FCA	Member. Also CA ANZ Board Director	6	6
Traci Houpapa	Independent (Non-Member). Also CA ANZ Board Director	1	2

The PCOC has oversight responsibility for the integrity, timeliness and effectiveness of the disciplinary procedures carried out by the Disciplinary Bodies established under Section 5 of the By-Laws.

PCOC members are appointed by the Board. The PCOC is comprised of a maximum of five members and must include at least two CA ANZ Members who have a minimum of 10 years' relevant experience and at least two lay members with business or professional experience enabling them to take a leading role in the oversight of the discipline and conduct processes. During the reporting period the PCOC comprised:

- Belinda Gibson (Chair) (appointed 1 August 2022);
- Taryn Rulton FCA;
- Jan West AM FCA;
- David Lines (appointed 1 May 2023); and
- James Birch AM (appointed 1 May 2023).

Belinda Gibson is a non-Member, a qualified lawyer and former partner of the (then named) Mallesons Stephen Jaques, as well as a former Commissioner and Deputy Chair of the Australian Securities and Investments Commission. David Lines and James Birch are also non-Members. David Lines is a senior lawyer and experienced compliance and risk practitioner, with significant insurance experience. James Birch is a company director with extensive experience in the health care sector, both as a consultant and in chief executive roles, and was also a partner of Ernst & Young from 2007 to 2016.

Belinda Gibson, David Lines, James Birch and Taryn Rulton are all considered to be independent, having regard to the factors for assessing independence set out in Recommendation 2.3 of the ASX Principles. Jan West is a former President of CA ANZ and a retired

partner of Deloitte, which provides services to CA ANZ and whose employees are Members and candidates enrolled in CA ANZ's education programs. The Board does not believe that this compromises Jan West's position as a member of the PCOC and conflicts of interests measures are in place to ensure that she does not participate in, or vote on, any decisions that involve or impact Deloitte.

The full charter of the PCOC can be found at Appendix 9E of the [Governance Manual](#).

During the reporting period the PCOC met as follows:

	Attended	Eligible
Belinda Gibson (Chair)	4	4
Taryn Rulton FCA	4	4
Jan West AM FCA	3	4
David Lines	-	- ⁽¹⁾
James Birch AM	-	- ⁽¹⁾

⁽¹⁾ The appointments of David Lines and James Birch by the Board were not confirmed in time for their attendance to be arranged at the final meeting of the PCOC for the year ended 30 June 2023.

PCFRC

The PCFRC, a special-purpose Board committee, was established by the Board to coordinate and oversee the PCF Review announced by CA ANZ in July 2022. The terms of reference of the PCFRC, which are available on CA ANZ's website, identify four key areas of review:

- the CA ANZ By-Laws, NZICA Rules and the CA ANZ Regulations applicable to the Australian and New Zealand professional conduct and disciplinary functions;
- the professional conduct committee and tribunal structures and administrative arrangements;
- the scope and content of supporting materials for Members relating to ethical disclosure obligations; and
- the rules and administrative arrangements relating to the interactions of CA Program academic integrity policies with the professional conduct and discipline By-Laws and Regulations, considering specifically how academic misconduct is notified and addressed.

The PCFRC's Final Report and recommendations were released on 7 June 2023. Further information regarding the PCF Review can be found in the [2023 Annual Report](#) at pages 49 to 50.

The PCFRC comprised 11 members:

- John Palermo FCA (Co-Chair, CA ANZ Board Chair);
- Ainslie van Onselen (Co-Chair, CA ANZ CEO);
- Murray Harrington FCA (2023 CA ANZ President, PCFRC member from 1 January 2023);
- Kate Boorer FCA (2022 CA ANZ President, PCFRC member to 31 December 2022);
- Vanessa Chapman (Group Executive, General Counsel and Corporate Assurancer);
- Belinda Gibson (PCOC Chair);
- Simon Grant FCA (Group Executive, Advocacy and International Development);
- Simon Hann (Group Executive, Education and Marketing);
- Rob McDonald FCA (CA ANZ director, PARC Chair);
- Chris Townend FCA (CA ANZ director, ARC Chair);
- Peter Vial FCA (Group Executive, New Zealand and Pacific); and
- Stephen Walker FCA (NZICA Regulatory Board Chair).

During the reporting period the PCFRC met five times, with attendance as follows:

	Attended	Eligible
John Palermo FCA (Co-Chair)	5	5
Ainslie van Onselen (Co-Chair)	5	5
Murray Harrington FCA (2023 CA ANZ President – term commenced 1 January 2023)	3	3
Kate Boorer FCA (2022 CA ANZ President – term completed 31 December 2022)	2	2
Vanessa Chapman	5	5
Belinda Gibson	5	5
Simon Grant	4	5
Simon Hann	2	5
Robert (Rob) McDonald FCA	4	5
Christopher (Chris) Townend FCA	5	5
Peter Vial FCA	5	5
Stephen Walker FCA	5	5

Principle 8:

Remunerate fairly and responsibly

People and Remuneration Committee

The PARC is a standing committee of the Board and is comprised of at least three members. During the reporting period the members of PARC were:

- Rob McDonald FCA (PARC Chair);
- Kate Boorer FCA (retired from the PARC with effect from 31 December 2022);
- Cheryl Hayman (retired from the PARC with effect from 30 June 2023); and
- Sarah Petersen FCA.

Sarah Petersen was appointed the Chair of the PARC, effective 1 July 2023. Rob McDonald, who retired as Chair, remains a member of the committee.

All members of the PARC are considered independent, having regard to the factors for assessing independence set out in Recommendation 2.3 of the ASX Principles.

One of the main functions of the PARC is to assist the Board in respect of remuneration related activities and strategy, including setting remuneration policy to ensure that remuneration is set at levels that are fair and reasonable and benchmarked to market rates. The PARC is also responsible for the annual performance review of the CEO and succession planning for the CEO and the Executive Team. A full copy of the charter for the PARC can be found at Appendix 4C of the [Governance Manual](#).

During the reporting period the PARC met as follows:

	Attended	Eligible
Robert McDonald FCA (Chair)	4	4
Kate Boorer FCA	2	3
Cheryl Hayman, Non-Member	4	4
Sarah Petersen FCA	4	4

Remuneration policies and practices

Non-executive Directors

In accordance with CA ANZ's By-Laws, the remuneration of the directors, President and Vice Presidents is:

- determined by the Council, based on a recommendation from the NGC;
- based on market rates; and
- set within the parameters and principles approved by Members.

The NGC conducts a review of remuneration, which is benchmarked against market rates with the assistance of independent external advice, before making a remuneration recommendation to the Council.

Executives

CA ANZ's remuneration policy is to benchmark all Executive Team roles annually using a variety of publicly available market surveys appropriate for the role and region. Additionally, Executive Team roles are sized and benchmarked by an external party using the international position evaluation system (IPE) on an annual basis (following a change to CA ANZ's Remuneration Policy during the reporting period, prior to which it was done on a three yearly basis), or on the appointment of a new CEO, or where

otherwise required by the PARC. Salaries are set within the parameters informed by benchmarking and the remuneration pool overseen by the PARC and approved by the Board as part of the annual budgeting process.

The CEO's salary comprises a fixed component and an at-risk component which is subject to the Board evaluating and approving the CEO's performance against a range of indicators, including:

- the overall financial performance of CA ANZ; and
- the achievement of key performance targets aligned to the five pillars of CA ANZ's organisational strategy.

The Executive Team's salaries comprise a fixed component and these executives may be eligible to earn a short-term incentive according to the rules set out in the EPIP as the variable component of their individual contract of employment. Further information in respect of the remuneration of directors and the Executive Team during the reporting period can be found on pages 100 to 102 in the [2023 Annual Report](#).

Equity-based remuneration scheme

CA ANZ is not a listed entity and had no equity-based remuneration scheme or analogous share price/market risk triggered scheme in place during the reporting period.

