

# APPOINTMENTS COUNCIL CHARTER

CPA Australia Ltd  
ACN 008 392 452

## **1 Introduction**

1.1 This Charter has been approved by the Board and outlines the roles, responsibilities, composition, membership and meeting procedures of the Appointments Council (Council). The conduct of the Council is also governed, where applicable, by the Constitution of CPA Australia (**Constitution**).

1.2 Nothing in this Charter limits any powers or responsibilities of the Board.

## **2 Objectives of the Council**

The Council's role is to assist the Board in the effective discharge of its responsibilities by ensuring that the Board comprises individuals who are best able to discharge their responsibilities as Directors having regard to the law, the highest standards of governance and the diversity of the membership. The Council's work is supported by the Nomination Committee of the Board, and the resources of the Chief Executive Officer (**CEO**), principally the Company Secretary.

## **3 Council Responsibilities**

The powers of the Council are set out in Article 61 of the Constitution.

## **4 Exercise of Powers**

4.1 The only decisions of the Council which shall be binding on the organisation will be the appointment of Directors. The Council does not have the power to remove Directors.

4.2 No other decision, guidance or recommendation of the Council shall be binding on the Board of Directors. Nor is the Board required to act in accordance with any other view, guidance, wish, advice, direction, instructions or recommendations of or from the Council.

4.3 Except to the extent required by the election procedures prescribed by the Board, the Council may (but need not) utilise and obtain assistance from the Nomination Committee and external consultants in relation to the Council's powers.

4.4 The Nomination Committee's procedures and recommendations do not bind or in any way oblige the Council. Similarly, the Council should have regard to, but is not bound by, selection criteria provided by the Board in relation to Board appointments.

## **5 Conflict of Interest**

5.1 Appointments Councillors (Councillors) are not Directors and are unlikely to have any duties arising under the Corporations Act 2001 or any fiduciary duties to declare material personal interests. Any Councillor who has an interest by way of a personal or other relationship with any candidate being considered for recommendation for appointment to the Board, or an interest in any other matter considered by the Council (Interest), should give the Council notice of that Interest.

- 5.2 For the avoidance of doubt, having an Interest by way of a personal or any other relationship with a candidate being considered for recommendation, does not preclude a Councillor from making a recommendation.
- 5.3 A Councillor who has a material Interest in a matter that is being considered at a Council meeting must act in accordance with APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (Code) to the extent relevant to the requirements ('Requirements') of the Code.
- 5.4 Examples of a material Interest which would preclude a Councillor from, for example, making a recommendation in relation to the appointment of Directors, would be if a Councillor was the business partner of a candidate or themselves a candidate being considered for a position on the Board. Any member considering nominating for the Council should not do so if they intend to seek appointment to the Board during their proposed term on the Council.
- 5.5 In the event that a sitting Councillor subsequently decides to seek appointment to the Board, that Councillor will not be permitted to receive materials or attend any meetings of the Council following the submission of their nomination.

## **6 Independent Advice and Information for the Council**

- 6.1 The Council may obtain reasonable, independent professional advice to assist it in the proper exercise of its powers and responsibilities.
- 6.2 The Councillors should be provided with the information the Council needs to discharge its responsibilities effectively. The executive general management and Key Management Personnel should supply the Council with information in a form, within a timeframe and of a quality that enables the Council to discharge its duties effectively. Councillors are entitled to request additional information where they consider such information necessary to make informed decisions.

## **7 Reimbursement of Costs**

Councillors are entitled to reimbursement for the reasonable costs of any independent advice obtained in respect of their office. If a Councillor wishes to obtain independent external advice then the Councillor must notify the Council before seeking that advice and obtain the prior approval of the Council Chair, which approval shall not be unreasonably withheld. Travel, accommodation and out-of-pocket expenses incurred by Councillors shall be reimbursed on the basis set out in Article 63(h) of the Constitution.

## **8 Reliance**

Each member of the Council is entitled to rely on information, or professional or expert advice, to the extent permitted by law, given or prepared by:

- (a) an employee of the organisation or any of its subsidiaries whom the member believes on

reasonable grounds to be reliable and competent in relation to the matters concerned;

- (b) a professional adviser or expert in relation to matters that the member believes on reasonable grounds to be within the person's professional or expert competence; or
- (c) a Director or officer of the organisation or any of its subsidiaries in relation to matters within the Director's or officer's authority.

## **9 Appointment and Composition of the Council**

### **9.1 Size**

The composition of the Council shall be as set out in Article 62 of the Constitution.

### **9.2 Council Chair**

The President of the organisation shall act as the chair of the Council (Chair). If the President is absent from any meeting of the Council, the deputy chair (Deputy Chair) will chair the meeting but if they are also not present, the Councillors will appoint another of their number to chair the meeting (Article 63(a)). The President can be asked to leave at any time (Article 63(m)).

### **9.3 Deputy Chair**

Prior to 1 February of each calendar year, the Council shall elect from amongst those Councillors whose terms do not expire before 31 January of the following calendar year, effective immediately, a Councillor to act as Deputy Chair of the Council (Article 62(j)). Each person elected as a Deputy Chair pursuant to Article 62(j) shall hold office for a term of 1 year commencing on 1 February of that calendar year and ending on 31 January in the next calendar year. The term of the Deputy Chair can be extended for a further 1 year by election of the Council provided that the Deputy Chair is not required to retire under Article 62(c). The Deputy Chair can only hold office for a maximum of 2 consecutive years (Article 62(j)).

### **9.4 Appointor**

Prior to 1 February in each year, the Council will appoint a person to have a casting vote in the event of an equality of votes and the Deputy Chair not being present (Appointor) (Articles 63(f) and (g)). If the Deputy Chair and Appointor are not present, the resolution in question will be deferred to the next Council meeting (Article 63(g)).

### **9.5 Appointment to Nomination Committee**

The Council will elect from amongst those Councillors (including those elected as Deputy Chair and Appointor) and whose terms do not expire before 31 January of the following calendar year, two Council representatives on the Nomination Committee (as set out in Clause 8.1(a)(ii) of the Nomination Committee Charter) for 12 months commencing 1 February of that calendar year

taking into account any guidelines adopted by the Council.

#### 9.6 **Tenure**

Subject to Article 62(c), each Councillor will hold office for a term of 2 years or such other term provided by the Constitution.

#### 9.7 **Review of Council Performance and Skills Development**

- (a) The Council will assess and review its performance at least annually.
- (b) The Council will select Councillor/s to conduct the performance evaluation of the Chair after having canvassed the views of the other Councillors.
- (c) From time to time, the Council should consider what training or development could be undertaken (with the approval of the Board and at CPA Australia's expense) to keep their expertise, skills and knowledge relevant to the operation of CPA Australia as required to fulfil their role on the Council.

#### 9.8 **Secretary**

The Company Secretary will act as Secretary of the Council.

### 10 **Internal Governance**

The Council has delegated authority and power as set out in the Constitution.

### 11 **Meetings**

#### 11.1 **Holding of Meetings**

- (a) The Council shall meet by September 30 in the year in which the term of a relevant Director expires to appoint a replacement Director in accordance with the provisions of Article 44 of the Constitution.
- (b) A meeting of the Council shall be convened at any time upon the request of the President or more than fifty percent of Councillors (Article 63(b)).
- (c) Meetings held by the Council to appoint the Board pursuant to Article 44, shall where possible be held in person. Subject to Article 63(e), Councillors may meet in person or by using such means as permitted by Article 63(i). A Councillor unable to attend or vote at any meeting may not authorise the Company Secretary or any other Councillor to vote on their behalf (Article 63(e)).
- (d) The Council may confer without management or any other person present and at each scheduled meeting may have a private session.

#### 11.2 **Quorum**

The quorum for meetings of the Council shall be determined by the Council from time to time, provided that such quorum shall not be less than the number which is equal to half of the total

number of appointed Councillors at the time of the meeting plus one (if this number is not a whole number, then it shall be rounded down) (Article 63(c)).

### 11.3 **Voting**

Determinations of the Council shall be decided by a majority of votes of all Councillors currently in office, present in person pursuant to Articles 63(e) and (g) at the meeting. The President has no right to vote at meetings of the Council (Article 63(a)).

### 11.4 **Attendance at Meetings**

- (a) The Company Secretary may attend Council meetings by standing invitation of the Council only and may be requested to leave by any Councillor present at the meeting. If requested to leave, the Company Secretary must immediately comply with the request. The Company Secretary shall not have a right to vote at such meetings.
- (b) In addition, the Council Chair may invite any of the following to attend a meeting or an Item of a meeting of the Council:
  - (i) members of the Company Secretariat;
  - (ii) any other employee or officer of CPA Australia;
  - (iii) any member; and
  - (iv) any other third-party consultant.
- (c) Each invitee must undertake to keep the relevant communications of the proceedings of the Council meeting confidential, including in accordance with clause 13 below.

### 11.5 **Council papers**

Unless otherwise directed by the Council Chair, the Company Secretary shall distribute in advance of a meeting of the Council an agenda and any related papers in accordance with Article 63(d) to each Councillor.

### 11.6 **Minutes of Council Meetings**

Minutes of the Council shall accurately reflect its decisions and shall be made available to the Councillors in accordance with the provisions of the Constitution, the Deed of Indemnity, Insurance and Access and the Corporations Act. Minutes signed by the Council Chair shall be conclusive evidence of the matters recorded in the minutes.

### 11.7 **Written Resolutions**

Apart from passing resolutions at actual Council meetings, the Council may also pass written resolutions in the manner set out in Article 56 of the Constitution.

## **12 Review of Charters**

The Council will at least once each year review this Charter to ensure it remains consistent with the Council's objectives and responsibilities, applicable law, the Constitution, the By-Laws and relevant standards of corporate governance and recommend any changes to the Board.

## **13 Confidentiality**

Unless Councillors resolve to the contrary, Councillors are required to keep Council discussions, Council papers and deliberations confidential.

## **14 Code of Conduct**

Each Councillor has an obligation to comply with the spirit, as well as the letter of the law, the Constitution, the By-Laws and the principles set out in the Volunteer Code of Conduct.

## **15 Reporting to the Board**

15.1 Minutes of each meeting of the Council shall be submitted to the Board (via the Chair).

15.2 At the next Board meeting after each Council meeting, the Chair, or their delegate, must brief the Board in person on:

- (a) the proceedings of the Council; and
- (b) all other matters relevant to the Council's role and responsibilities,

noting that the Board is not required to act in accordance with any view, guidance, wish, advice, direction, instruction or recommendations of or from the Council.

## **16 Consistency with Constitution**

16.1 This Charter may be amended by the Board from time to time subject to the requirements of the Constitution and the law. Whilst this Charter does not form part of the Constitution, this Charter (as in force from time to time) is nevertheless binding on the Council and each of the Councillors.

16.2 To the extent that there is any inconsistency between this Charter and the Constitution, the Constitution will prevail.

Adopted by the Board of Directors on 10 December 2018

Amended by the Board of Directors on 9 December 2019

Amended by the Board of Directors on 14 December 2020