

MEMBER ENGAGEMENT & CULTURE COMMITTEE 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 Member Engagement & Culture Committee. The conduct of the Committee 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 Committee

- 2.1 The Committee is a committee of the Board. The Committee's role is to assist the Board in the effective discharge of its responsibilities in relation to matters involving:
- (a) engagement with all of CPA Australia's members; and
 - (b) the people, remuneration and culture of CPA Australia.

The Committee's work is supported by the Chief Executive Officer (**CEO**) and their nominees, principally the Executive General Manager Member Experience, the Executive General Manager People & Culture and the Company Secretary.

- 2.2 The Committee's work relates to the following objectives:
- (a) Members
 - (i) providing advice to the Board on member-related strategies;
 - (ii) providing advice to the Board on member services and product (at a strategic level);
 - (iii) advising on and maximising the effectiveness of communications with members and other key stakeholders; and
 - (iv) doing all it reasonably can to protect and enhance the external reputation of CPA Australia.
 - (b) People Remuneration & Culture
 - (i) providing advice to the Board on human resources strategy, policies and practices to:
 - (A) support the organisation's Strategic Plan;
 - (B) enable the staff resources employed to achieve their goals;
 - (C) promote an inclusive, tolerant and diverse workplace and a culture that is focused on achieving high performance through the organisation's values; and

- (D) enable clients, volunteers, staff, contractors and members of the general public to be safe in all workplaces;
 - (ii) compliance with all relevant legal requirements and best practice; and
 - (iii) remuneration policies and practices and succession planning which enables the attraction and retention of leaders and talented staff.
- 2.3 Ultimate responsibility for member engagement and people, remuneration and culture rests with the full Board notwithstanding the establishment of this Committee.
- 2.4 The Committee plays an advisory role and is authorised to exercise those Board powers expressly delegated to it in this Charter.
- 2.5 Other than to the Board, the Committee has no direct obligation to or from any management group, Branch or Division.

3 Committee Responsibilities

Without limiting the general role or powers of the Board, the Committee is responsible for providing the Board with advice and guidance on the following:

3.1 Member Engagement

- (a) Verifying that CPA Australia has established, and maintains, an appropriate member database that is up-to-date and which collects appropriate data to enable tailored, relevant communication.
- (b) Determining and approving any CPA Australia-initiated research into member engagement / membership-related issues and overseeing any implementation of actions emanating from such research.
- (c) Driving the Board's engagement with the membership through face-to-face and other communication channels (for example, an annual calendar of events/communications).
- (d) Monitoring the effectiveness of communications with members and stakeholders, and the effectiveness of the various communication channels with members and stakeholders (which will include both traditional and digital channels).
- (e) Monitoring the risk management of communication strategies and engagement.
- (f) Satisfying itself that CPA Australia is able to deliver focused strategies which will meaningfully respond to the continuing professional and mental health needs of the members including during periods of disaster, disruption and also recovery.
- (g) Overseeing the sustainability practices of the organisation as they relate to the work of the Committee.

3.2 **Divisional and Branch Councils**

- (a) Facilitating through a consultative process how Divisional and Branch Councils, along with their respective committees and discussion groups, engage with members.
- (b) Facilitating direct communication and reporting guidelines with all Division and Branch Councils to more effectively hear about “on the ground” engagement.
- (c) Making recommendations to the Board regarding any changes to the member engagement structure (such as Divisional boundaries, the number of Councillors, establishment of any new divisions or branches and various regional and cultural considerations).
- (d) Developing and maintaining the guidelines for the role and procedures of Divisional and Branch Councils, Committees and discussion groups (taking into account various regional and cultural considerations).

3.3 **Committee Nominations**

- (a) Facilitating engagement between Advisory and Compliance Committees, Centres of Excellence and the Board of Directors.
- (b) Recommending to the Board any proposed changes to the structure, Charters or applicable policies relating to the Advisory and Compliance Committees or the Centres of Excellence.
- (c) Overseeing the procedures for nominating and identifying potential candidates for appointment to:
 - (i) Advisory and Compliance Committees;
 - (ii) Centres of Excellence; and
 - (iii) CPA Australia representatives and nominees to external bodies, their Boards, Committees and taskforces.
- (d) Making recommendations to the Board for the appointment of members and other persons to:
 - (i) Advisory and Compliance Committees;
 - (ii) Centres of Excellence; and
 - (iii) CPA Australia representatives and nominees to external bodies, their Boards, Committees and taskforces.

3.4 **Awards and Honours**

- (a) Recommending to the Board any proposed changes to the structure or applicable policies relating to CPA Australia’s awards and honours.

- (b) Considering nominations and making recommendations to the Board for the awarding of the following awards and honours:
 - (i) CPA Australia Life Membership;
 - (ii) Board of Directors Lifetime Achievement Award;
 - (iii) Board of Directors Award for Outstanding Service; and
 - (iv) CPA Australia Honorary Membership.

3.5 **People & Culture**

- (a) Satisfying itself that the culture is aligned with the organisation's purpose, values and acting lawfully, ethically and responsibly and that the culture supports relevant risk mitigation assisting the achievement of strategic objectives.
- (b) Overseeing management in its implementation of the organisation's culture and related objectives including:
 - (i) the determination of appropriate and meaningful benchmarking;
 - (ii) key performance indicators; and
 - (iii) more specific targets for senior executives.
- (c) Reviewing CPA Australia's human resources policies on an annual basis to ensure their currency and relevance to the organisation's overall mission and objectives and that the policies are operating effectively.
- (d) Ascertaining that the organisation is able to deliver focused strategies which will meaningfully respond to the continuing professional needs and overall health (including mental health) and well-being of its people during periods of disaster, disruption and also recovery.
- (e) Encouraging the adoption by human resources management of sustainable practices in the workplace including throughout employee lifecycles commencing with recruitment, onboarding, and training and also daily tasks to deliver efficiencies and the reduction of waste;
- (f) Evaluating and providing advice on the organisation's strategy for industrial relations and monitoring its implementation.
- (g) Monitoring the content of and compliance with the organisation's people and culture systems and processes including in the important areas of:
 - (i) workplace health and safety including maintaining a workplace free from discrimination, harassment and bullying, and which provides equal opportunity;

- (ii) employment diversity;
- (iii) the Reconciliation Action Plan;
- (iv) executive succession planning and talent management;
- (v) remuneration policy; and
- (vi) paid and volunteer workforce planning and management.

3.6 **Staff Remuneration**

- (a) Reviewing and approving CPA Australia’s remuneration framework and associated policies (including the incentive methodology and annual movements in the salary scales).
- (b) Monitoring CPA Australia policies and oversight of them including but not limited to the Inclusion and Diversity Policy.
- (c) Providing oversight of any disciplinary action including dismissal, and any restructuring leading to senior executive redundancy.

3.7 **Board of Directors and CEO Remuneration**

Board of Directors fees and CEO remuneration are set directly by the Board of the organisation under the leadership of the President and Chairman but the practices of the Committee for staff remuneration and performance will be managed so as to be consistent and comparable. The Committee Chair and Board Chairman will confer on that objective, as appropriate.

4. **Conflict of Interest**

- 4.1 If any Committee member has a material personal interest in, or an interest by way of, a personal or other relationship to any matter being considered by the Committee, then that Committee member must give the Committee and the Board notice of that interest as soon as that member becomes aware of the interest.
- 4.2 A notice required under 4.1 above must:
 - (a) give details of the nature and extent of the interest (also having regard to any obligations of confidentiality to another party or other parties if applicable); and
 - (b) the relation of the interest to the affairs of CPA Australia.
- 4.3 A Committee member who has a material interest in a matter that is being considered at a Committee meeting must otherwise 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 Independent Advice and Information for the Committee

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

6. Reimbursement of Costs

Committee members are entitled to reimbursement for the reasonable costs of any independent advice obtained in respect of their office. If a Committee member wishes to obtain independent external advice then the Committee member must notify the Committee before seeking that advice and obtain the prior approval of the Committee Chair, which approval shall not be unreasonably withheld. Travel, accommodation and out-of-pocket expenses incurred by Committee members shall be met on the basis set out in Article 45(h) of the Constitution.

7. Reliance

Each member of the Committee 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) another Director or officer of CPA Australia, or any of its subsidiaries, in relation to matters within the Director's or officer's authority.

8. Appointment and Composition of the Committee

8.1 Size

- (a) The Committee will consist of at least 3 members with a maximum of 6 members, all of whom shall be Directors of CPA Australia.
- (b) Each member of the Committee should have the skills and experience necessary to carry out the duties and obligations as determined under this Charter.
- (c) In addition to the Committee members, the Committee may co-opt non-Directors or

other Directors to provide specific skills or expertise as required.

- (d) All Committee members shall be non-executive and independent as previously determined by the Board. No Committee members shall be (or shall have been in the past 3 years) a professional adviser or from senior management of CPA Australia.

8.2 **Committee Chair**

The Board (or its delegated Committee) shall nominate an appropriate individual as Committee Chair or, in their absence, such other person that the Committee may determine for that meeting, provided that the Chair of the Board shall not be the Committee Chair.

8.3 **Tenure**

The terms of the Committee members will coincide with their terms on the Board, unless the Board determines otherwise. Subject to annual confirmation by the Board, the terms of any members of the Committee who are co-opted under the terms of this Charter, will be 2 years or such earlier period as the Board may determine from time to time.

8.4 **Review of Committee Performance and Skills Development**

- (a) The Committee will assess and review its performance and that of the Chair at least annually.
- (b) From time to time, the Committee 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 Committee.

8.5 **Secretary**

The Company Secretary will act as Secretary of the Committee.

9. **Internal Governance**

The Committee has delegated authority and power as approved by the Board from time to time.

10. **Meetings**

10.1 **Holding of Meetings**

- (a) Subject to paragraphs (b) and (c), the Committee shall meet, adjourn and otherwise regulate its meetings as it thinks fit, but shall meet no less than four times each calendar year or more frequently as circumstances dictate.
- (b) A member of the Committee may request that a meeting of the Committee be convened.
- (c) The Committee Chair should consider calling an unscheduled meeting if requested to do so by a Committee member, the CEO or Company Secretary.

- (d) Meetings may be face-to-face, via teleconference or videoconference as considered appropriate by the Chair.
- (e) The Committee may confer without management or any other person present and at each scheduled meeting may have a private session.

10.2 **Quorum**

A quorum shall consist of no less than a majority of Committee members. The quorum must be present at all times during the meeting.

10.3 **Voting**

Decisions at any meeting of the Committee shall be decided by a majority of votes recorded. In the case of an equality of votes, the Committee Chair shall have a casting vote.

10.4 **Attendance at Meetings**

- (a) The CEO may attend Committee meetings by standing invitation of the Committee only and may be requested to leave by any Committee member present at the meeting. If requested to leave, the CEO must immediately comply with the request. The CEO shall not have a right to vote at such meetings.
- (b) The Company Secretary may attend Committee meetings by standing invitation of the Committee only and may be requested to leave by any Committee member 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.
- (c) Any Director of CPA Australia may attend Committee meetings by standing invitation of the Committee.
- (d) In addition, the Committee Chair may invite any of the following to attend a meeting or an Item of a meeting of the Committee:
 - (i) members of Company Secretariat;
 - (ii) any other employee or officer of CPA Australia; and
 - (iii) any other third-party consultant.
- (e) Each invitee must undertake to keep the relevant communications of the proceedings of the Committee meeting confidential, including in accordance with clause 12 below.

10.5 **Committee papers**

- (a) Unless otherwise directed by the Committee Chair, the Committee Secretary shall distribute in advance of a meeting of the Committee an agenda and any related papers to:
 - (i) each member of the Committee;

- (ii) the CEO and other members of the management team as deemed appropriate; and
 - (iii) all Directors of the Board via the Board repository.
- (b) Subject to any further rights granted under a Deed of Indemnity, Insurance and Access, Committee members who are Directors may access Committee papers on request, for the period when they were a Committee member even if they have ceased to be on the Committee in accordance with section 198F of the Corporations Act.

10.6 Minutes of Committee Meetings

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

10.7 Written Resolutions

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

11. Review of Charters

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

12. Confidentiality

Unless Directors resolve to the contrary, Committee members are required to keep Committee discussions, Committee papers and deliberations confidential.

13. Code of Conduct

Each Committee member 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 Directors' Code of Conduct.

14. Reporting to the Board

- (a) Minutes of each meeting shall be submitted to the Board for noting.
- (b) The Committee Chair, or delegate, must report to the Board after each Committee concerning:
 - (i) the proceedings of the Committee; and
 - (ii) all matters relevant to the Committee's role and responsibilities.

15. Consistency with Constitution

- (a) 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 Committee and each of the Committee members.

- (b) 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 14 December 2020. Effective from 1 January 2021.