

EDUCATION, POLICY & INNOVATION 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 Education, Policy & Innovation 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 is to assist the Board:
- (a) in fulfilling its statutory, corporate governance and oversight responsibilities relating to CPA Australia's education, research and innovation strategies; and
 - (b) by advising the Board in relation to organisational policy responses and thought leadership.

The Committee's work is supported and implemented by the Chief Executive Officer (**CEO**) and their nominees, principally the Executive General Manager, Education, the Executive General Manager, Policy and Advocacy and the Chief Information Officer.

- 2.2 The Committee's objectives include the following:
- (a) overseeing the education strategy relating to the CPA Australia professional programs, ascertaining that its foundation is strongly aligned with expertise and knowledge of global best practice, trends and contemporary practices in the education sector;
 - (b) monitoring the implementation of the education strategy, and that it meets the learning, qualification and continuing professional development expectations of Members to the highest standard;
 - (c) satisfying itself that the designations, pathways and frameworks continue to be highly valued and recognised by Members, the accountancy and business professions and the higher education sector;
 - (d) assisting and advising the Board in the effective discharge of its responsibilities for issues relating to policy, research and innovation strategies of CPA Australia;
 - (e) providing advice to the Board in relation to both organisational policy responses and thought leadership so that CPA Australia is positioned as a leading professional body to be consulted by government, retains its keen competitive edge and is viewed as a major stakeholder in the accountancy and business professions;
 - (f) assisting the Board in its oversight of the innovative practices and technologies agenda of the organisation particularly considering the rapidly changing environment in which CPA Australia operates and any impact on its strategic plans;

- (g) determining that risk in education, policy and innovation is identified and is appropriately monitored and managed;
 - (h) ascertaining that programs, policies, and initiatives where possible have a sustainability focus to ensure the best deployment of resources in meeting the organisation's strategic goals and objectives including its ability to best serve the needs of Members; and
 - (i) overseeing the sustainability practices of the organisation as they relate to the work of the Committee.
- 2.3 Ultimate responsibility for the organisation's education, policy and innovation oversight rests with the full Board notwithstanding the establishment of the 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 being responsible to the Board, the Committee has no direct obligation to or from any management group, Branch or Division of CPA Australia.
- 2.6 The purpose of this Committee does not extend to the operational financial management of CPA Australia.

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 Education

- (a) overseeing that the Education Strategy aligns with the broader organisational Strategy and reflects global best practice and advising the Board on current and anticipated trends in the higher Education sector that may have an impact on CPA Australia's reputation, its ability to attract new Members, its standing amongst employers and educational institutions and its relationship with stakeholders;
- (b) advising the Board in relation to the Education Framework and assessing any new Education policies and/or changes to these policies that require approval by the Board;
- (c) reviewing and advising on any proposed changes to the Capability Framework, the designation and pathways, Foundation Exams and CPA Program;
- (d) monitoring the Foundation Exams and CPA Program including their design and structure, curriculum, assessment and quality assurance to satisfy itself that together they are positioned and regarded as the highest quality professional Educational program by the Education sector, professional accounting bodies and the business community;
- (e) monitoring that the Foundation Exams and CPA Program are aligned with relevant international and Australian standards or frameworks in relation to the accountancy profession;

- (f) monitoring any incidents of Academic Misconduct reported by management to verify they are appropriately dealt with in accordance with the Academic Misconduct Policy to protect the integrity of the designation;
- (g) reviewing and providing advice to the Board on the design, curriculum, and assessment of the Professional Development program so that it is positioned as being one which reflects best educational and pedagogical practices; and
- (h) monitoring key academic governance risks and critically assessing whether they are being appropriately captured, recorded and mitigated by Management.

3.2 Policy & Research

- (a) overseeing the processes and protocols for approving and reporting relevant policy and research;
- (b) contributing to the identification of policy areas to be included in the organisation's policy work program;
- (c) seeking Board approval and advising the Board on all relevant policy and research issues applicable to the responsibilities of the Committee which have the potential to significantly impact on the reputation of CPA Australia and its Members and whether responses harmonise with relevant policies concerning other Committees;
- (d) demonstrating thought leadership in the analysis of trends in the accounting profession to better grow, equip and service the organisation's future accountants;
- (e) facilitating resolution where policies are identified as conflicting with, or having the potential to conflict with, existing policy positions of the organisation;
- (f) overseeing that due diligence is applied to relevant policy and research; and
- (g) undertaking such other policy-related duties as may be referred to it by the Board.

3.3 Innovation

- (a) evaluating and advising the Board on innovative practices and technologies that will place CPA Australia in a strong position to respond to future economic, environmental, social and sustainability challenges in a way to enrich the experiences of Members and add value to the designation;
- (b) reviewing innovation strategies and practices used to develop and commercialise the technologies that contribute to CPA Australia's efforts to:
 - (i) improve the delivery efficiency of the organisation's products and services;
 - (ii) provide products and services of the highest quality; and
 - (iii) continuously deliver industry-leading technology solutions that enrich Member experiences.
- (c) monitoring the competitiveness of CPA Australia's existing, new and emerging technologies, and other innovations and trends that will permit the organisation to achieve sustainable and profitable growth; and
- (d) advising on strategies and practices used to enhance overall brand strength, reputation,

favorability opinion, and Member sentiment through the development and integration of innovations and technologies that meet the professional needs of Members, fulfill their aspirations, capture their imaginations and drive strong, positive brand differentiation.

3.4 **Sustainability**

- (a) monitoring and improving sustainability strategies, the implementation of which create value consistent with the long-term preservation and enhancement of Member value, the well-being of CPA Australia's people including their working conditions, and also responsible procurement.

4 **Conflicts 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 clause 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 the organisation.
- 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 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. To this end, the executive general management and Key Management Personnel should supply the Committee with information in a form, within a timeframe and of a quality that enables the Committee to do so. Committee members are entitled to request additional information where they consider such information necessary to make informed decisions.

6 **Reimbursement of Costs**

- 6.1 Committee members are entitled to reimbursement for the reasonable costs of any independent advice obtained in respect of their office.
- 6.2 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 Directors shall be 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:

- 7.1 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;
- 7.2 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
- 7.3 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 other Directors or non-Directors to provide specific skills or expertise as required.
- (d) All Committee members shall be non-executive and independent as determined by the Board in accordance with the ASX Corporate Governance Principles and Recommendations. 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.

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 Committee 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 (4) times each calendar year.
- (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, the Executive General Manager, Education, the Executive General Manager Policy and Advocacy, the Chief Information Officer or the internal or external auditors.
- (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) the Executive General Manager, Education;
 - (ii) the Executive General Manager Policy and Advocacy;
 - (iii) the Chief Information Officer;
 - (iv) members of the Company Secretariat;
 - (v) any other employee or officer of CPA Australia; and
 - (vi) 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, the Executive General Manager, Education, the Executive General Manager Policy and Advocacy, the Chief Information Officer 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 its 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 and submitted to the Board in

accordance with clause 14 below. 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**

14.1 Minutes of each meeting shall be submitted to the Board for noting.

14.2 The Committee Chair, or delegate, must report to the Board after each Committee concerning:

- (a) the proceedings of the Committee; and
- (b) all matters relevant to the Committee's role and responsibilities.

15 **Consistency with Constitution**

15.1 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 Committee and each of the Committee members.

15.2 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 14 December 2020. Effective from 1 January 2021.