



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, the diversity of the membership and the organisation's Strategy. 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 59 of the Constitution.

4 Exercise of Powers

- 4.1 The only decisions of the Council binding on the organisation are 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 is binding on the Board of Directors.
- 4.3 Except to the extent required by the election procedures prescribed by the Board, the Council may (but need not) use 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 C'th* 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 Subject to clauses 5.3 and 5.4, 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 the Independence Standards) (**Code**) to the extent relevant to the requirements set out in 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 Board Secretariat is to supply the Council with information in a form, within a timeframe and of a quality that enables the Council to discharge its responsibilities and 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 chair of the Council, which approval must not be unreasonably withheld. Travel, accommodation and out-of-pocket expenses properly incurred by Councillors must be reimbursed on the basis set out in Article 61(m) of the Constitution.

8 Reliance

Each Councillor 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 Councillor 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 Councillor 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 will be as set out in Article 60 of the Constitution.

9.2 Chair of the Council

- (a) The President of the organisation will act as the chair of the Council. If the President is in the final year of their term as a Director, as determined by Article 58 of the Constitution and standing for re-election, a Deputy President who is either:
 - (i) not in the final year of their term as a Director; or
 - (ii) in the final year of their term as a Director and not standing for re-election, will instead be the chair of the Council and attend its meetings on the same terms as the President under Article 61 of the Constitution.
- (b) If the President (or if a Deputy President is chair of the Council, then the Deputy President) is absent from any meeting of the Council, the deputy chair (**Deputy Chair**) of the Council appointed under 9.3 of this Charter, will chair the meeting but if they are also not present, the Councillors may appoint another of their number to chair the meeting under Article 61(a) of the Constitution.
- (c) The President (or if a Deputy President is chair of the Council, then the Deputy President) can be asked to leave at any time under Article 61(q) of the Constitution and must do so immediately.

9.3 Deputy Chair

- (a) Prior to 1 February (whether in January or in the preceding calendar year), the Council must elect a Councillor to act as Deputy Chair of the Council under Article 60(g) of the Constitution. The Deputy Chair must not be a Councillor whose term expires in the year for which the election is being held.
- (b) Each person elected as a Deputy Chair will hold office for a term of one year commencing on 1 February in the year for which they are elected and ending on 31 January in the next calendar year. The term of the Deputy Chair can be extended for a further one year by election of the Council provided that the Deputy

Chair is not required to retire under Article 60(c) of the Constitution. The Deputy Chair can only hold office for a maximum of two consecutive years under Article 60(i) of the Constitution.

9.4 **Appointor**

- (a) Prior to 1 February in each year (whether in January or in the preceding calendar year), the Council must elect a Councillor to act as Appointor (**Appointor**) under Article 61(i) of the Constitution who will have a casting vote in the event of an equal number of votes and the Deputy Chair not being present under Article 61(l) of the Constitution. If the Deputy Chair and Appointor are both absent from the meeting, the resolution in question will be deferred to the next Council meeting under Article 61(l). The Appointor must not be an Appointments Councillor whose term expires in the year for which the election is being held.
- (b) Each person elected as Appointor under Article 61(i) acts as Appointor for a term of one year commencing on 1 February in the year for which they are elected and ending on 31 January in the next calendar year under Article 61(j) of the Constitution.

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 for the year they are elected as representatives taking into account any guidelines adopted by the Council.

9.6 **Tenure**

Subject to Article 60(c) of the Constitution, each Councillor will hold office for a term of two 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 and that of the chair of the Council at least annually.
- (b) From time to time, the Council should consider what training or development could be undertaken by Councillors (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 must meet on or before 30 September in the year in which the term of a relevant Director expires to appoint a replacement Director in accordance with the provisions of Article 41 of the Constitution.
- (b) A meeting of the Council must be convened at any time upon the request of the President (or if a Deputy President is chair of the Council, then the Deputy President) or more than 50 percent of Councillors under Article 61(b) of the Constitution.
- (c) Councillors may meet by using such means as permitted by Article 61(e) and (f) of the Constitution. 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 under Article 61(h) of the Constitution.
- (d) The Council may confer without management or any other person present and at each scheduled meeting may have a private session (including without the President, or if a Deputy President is chair of the Council, then the Deputy President).
- (e) Where the Council has received the report from the Nomination Committee in accordance with By-Law 6.6(l), and a member of the Council wishes to raise a material matter in relation to one or more of the candidates recommended by the Nomination Committee in its report, the member of the Council shall refer the matter to the President (or if a Deputy President is chair of the Council, then the Deputy President), who shall convene a special meeting of the Council to determine if the Council wishes the Nomination Committee to reconsider their report in light of the material matter. If the Council's decision is to request the Nomination Committee to reconsider their report, the President (or if a Deputy President is chair of the Council, then the Deputy President) will request the Nomination Committee to convene a special meeting to consider the request from the Council. The Council will take into account the timing schedule of the appointment process and the time needed for the Nomination Committee to properly consider any request to convene.

11.2 Values

- (a) Meetings of the Appointments Council should be conducted professionally and respectfully in accordance with the organisation's agreed behaviours and values as set out in The CPA Australia Way: <https://www.cpaaustralia.com.au/about-cpa-australia/work-with-us/careers/our-values>
- (b) At the commencement of each Council meeting, the chair of the Council will:
 - (i) open with an *Acknowledgment of Country* relevant to the place or places from where the meeting is being held; and
 - (ii) appoint a meeting reviewer from the Council members in attendance to provide a review of the meeting at the end of the meeting incorporating a reflection on how the meeting met CPA Australia's values.

11.3 Quorum

Under Article 61(c) of the Constitution, the quorum for meetings of the Council is to be determined by the Council from time to time, provided that it must not be less than half the total number of appointed Councillors plus one. If this number is not a whole number, then it is rounded down.

11.4 Voting

Subject to Article 61(l) of the Constitution, resolutions of the Council are decided by a majority of votes of all Councillors currently in office, present at the meeting. The President has no right to vote at meetings of the Council under Article 61(a) of the Constitution.

11.5 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 leave. The Company Secretary has no right to vote at such meetings.
- (b) In addition, the chair of the Council may invite any of the following to attend a meeting or an item of a meeting of the Council:
 - (i) members of the Board 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.

11.6 Council papers

Unless otherwise directed by the chair of the Council, the Company Secretary must distribute in advance of a meeting of the Council an agenda and any related papers in accordance with Article 61(d) of the Constitution to each Councillor.

11.7 Minutes of Council Meetings

Minutes of the Council must accurately reflect its proceedings and are to be made available to the Councillors in accordance with the provisions of the Constitution. Minutes signed by the chair of the Council are conclusive evidence of the proceedings recorded in the minutes.

11.8 Written Resolutions

Apart from passing resolutions at actual Council meetings, the Council may also pass written resolutions in the manner set out in Article 61(o) of the Constitution.

12 Review of Charter

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 CPA Australia Volunteer Code of Conduct.

15 Reporting to the Board

At the next Board meeting after each Council meeting, the chair of the Council, or their delegate, must brief the Board on:

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

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 or the By-Laws, the Constitution will prevail over both and the By-Laws will prevail over this Charter.

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. Effective: 1 January 2021

Amended by the Board of Directors on 6 December 2021. Effective: 1 January 2022

Amended by the Board of Directors on 8 December 2022. Effective: 1 January 2023

Amended by the Board of Directors on 4 December 2023. Effective: 1 January 2024