



SAICA
INTEGRATED
REPORT
2023

LEADING **GLOBALLY**
SHAPING **TOMORROW**
TRUSTED TO
MAKE A DIFFERENCE

Making a difference is about making a mental shift from where we are today to where we hope to be. From doing things the way they have always been done to a way that is intentional, inspirational and geared towards the greater good of everyone.

You will see the differences in little things: in the smile of a student with a graduation cap in hand, in the stride of an entrepreneur determined to bring an idea to life, and in the eyes of a CA(SA) who knows the potential of a great idea.

Making a difference means moving away from decisions that will only lead to immediate gains for a few to those that lead to sustainable prosperity for many.

It is about building influential leaders who go out to develop and lead the communities they live in.

It is about building trust in CAs(SA) and the chartered accountancy profession. It is about holding ourselves and others accountable and to the highest levels of integrity.

Being a difference maker is about bringing meaningful transformation to an individual, a company or society, while at the same time helping to make the world a better place for all who live in it and future generations.

Will you make a difference today?

It doesn't necessarily take grand gestures, but small actions and support that can have a big impact over time. Ultimately, making a difference is about being the difference by doing what you can to make the world a better place.

| | | |
|----------|---|------------|
| 1 | OVERVIEW | 2 |
| | SAICA at a glance | 2 |
| | About this report | 4 |
| 2 | WHO WE ARE | 8 |
| | Our purpose, values, strategic intent and mandate | 8 |
| | 2023 SAICA at a glance | 11 |
| | Key challenges experienced in 2023 | 15 |
| | Operating context | 19 |
| | Chairperson's review | 25 |
| | Foreword by the President of the SAICA National Council | 27 |
| 3 | OUR BUSINESS | 29 |
| | Chief Executive Officer's review | 29 |
| | Our Executive Committee | 31 |
| | Business model and value creation aligned to the six capitals | 32 |
| | Capital trade-offs | 34 |
| | Materiality determination process and material matters | 35 |
| | Risk and opportunity management | 43 |
| 4 | OUR GOVERNANCE | 48 |
| | Corporate governance aligned to the King IV™ principles | 48 |
| | Board committees | 58 |
| 5 | HOW WE CREATE VALUE | 65 |
| | Our strategy and key strategic focus areas | 65 |
| | Contributing to a sustainable future (the UN SDGs) | 71 |
| | Stakeholder engagement and value creation | 76 |
| | SAICA's operating model | 82 |
| | Human capital | 84 |
| | Building brand equity | 86 |
| | Member engagement | 89 |
| | Standards | 91 |
| | Learning, development and national imperatives | 96 |
| | Digitisation | 100 |
| | Disciplinary matters 2023 | 102 |
| 6 | VALUE CREATED | 105 |
| | Performance against strategy | 105 |
| | CFO financial review with a link to the AFS | 108 |
| | Rewarding performance (Remuneration Report) | 109 |
| 7 | SUPPLEMENTARY INFORMATION | 113 |
| | Acronyms | 113 |
| | Corporate information | 113 |

MEMBER VALUE PROPOSITION

'I am part of a prestigious and valued profession that enables me to participate and make a difference in South Africa and globally while positively impacting the economy and society.'



OVERVIEW

SAICA AT A GLANCE

SAICA is at the forefront of developing, influencing and leading the highest standards of ethics, education and professional excellence in the delivery of quality accountancy skills. This is achieved by:

- Safeguarding the professional standards of the designations on offer
- Advancing and maintaining the relevance of the profession
- Providing high-quality professional development and training opportunities to help members stay up to date with the latest accountancy practices and technologies
- Offering a range of resources and services to support members in their professional development and career advancement
- Advocating on behalf of members and the profession, including legislative and regulatory matters
- Delivering better member value and offerings that will see our members in high demand in the marketplace
- Regulating members' and associates' professional conduct in accordance with the SAICA Code of Professional Conduct

AS A SAICA MEMBER, I BELONG TO A COMMUNITY THAT IS:



Respected, Recognised and Relevant for the Future

'My institute upholds a high, international standard of pre- and post-qualification education'

'I am kept up to date on matters relating to professional and technical developments via SAICA's many communication channels'

'SAICA's continuous learning interventions and offerings (CPD) ensure that I have focused development opportunities that will equip me for a changing world of work'

'Brand promotion and brand equity ensure the professional premiership of the SAICA designations, including ongoing employability'



Connected, Enabled and Supported

'Through advocacy and stakeholder engagement SAICA enables me to participate in thought leadership discussions to ultimately have an impact on the profession, on the economy, and in society'

'I have the opportunity to be a part of various forums, committees and attend events which offer invaluable networking opportunities'

'Thanks to strategic and global partnerships, as well as reciprocity agreements, I enjoy international mobility'

'I can log queries via the Member Portal as well as the Member Services Department'



Held to a High Ethical Standard

'My institute holds me accountable to the Code of Professional Conduct which ensures members behave ethically and with integrity at all times'

'The SAICA disciplinary processes, underpinned by the SAICA by-laws, maintain the value of SAICA designations in the marketplace on a fair and equitable basis'



Making a Difference in the Economy and Society

'My institute plays an active role in the profession's transformation and growth by being an example of value creation for me and the country through projects that grow the pipeline of future business leaders and provide decent and meaningful opportunities for disenfranchised South Africans '

'I can help to make a positive and quantifiable economical contribution, which is one of the top five leading drivers of trust and admiration in the SAICA designations'

SHAPING MINDS, SHAPING FUTURES

LEADING IN INNOVATION

Senzo Ndlangamandla, a distinguished CA(SA) and winner of SAICA's Top 35-under-35 competition, is a visionary leader igniting excellence in accounting. From coordinating the JSE Investment Challenge, to HOD at Walter Sisulu University and MD at SnB Chartered Accountants & Auditors, his journey reflects a commitment to education, community engagement, and strategic leadership. At WSU, he has fostered a culture of academic excellence, addressing youth unemployment. Senzo's multifaceted contributions paint a picture of a leader driving positive change and leaving a lasting legacy of progress.

Meet Senzo Ndlangamandla CA(SA)
HOD: Walter Sisulu University
MD: SnB Chartered Accountants
& Auditors
Difference Maker



ABOUT THIS REPORT



This integrated report covers SAICA and its subsidiaries’ (hereafter referred to as SAICA or the Institute) structure, activities, performance and outlook for the year ended 31 December 2023. It has been prepared to meet the information needs of SAICA members and broader stakeholders.

The report aims to provide a balanced and accurate reflection of value creation, preservation and erosion in terms of our strategy, performance, risks, opportunities, trade-offs and future outlook in relation to material financial, economic, social and governance issues. The report primarily addresses how we create value over the short, medium and long term, with a demonstration of the effects on the six capitals (i.e. outcomes), providing our stakeholders with a transparent and holistic view of our business operations.

REPORT THEME

Leading globally and shaping a sustainable tomorrow as trustworthy difference makers

In the realm of chartered accountancy, the CA(SA) designation proudly stands at the pinnacle of trust and ethical excellence, reclaiming its esteemed position as the world’s most trusted profession. This accomplishment is the culmination of a five-year journey dedicated to trust reconstruction and reputation management.

SAICA, alongside its dedicated professionals, has tirelessly worked to maintain and elevate auditing and professional services standards. The commitment to ongoing transformation is recognised as a vital catalyst for the continued growth of the South African economy.

In a world where trust and integrity form the bedrock of excellence, CA(SA) emerges triumphant, securing

its number one status. Trust, an unwavering constant, lies at the core of our esteemed profession. The journey back to the summit reflects the resolute commitment of our members, who have consistently upheld the highest ethical standards. It is a commitment to truth, integrity, and the public interest that not only shapes our legacy but also defines our future.

As the dynamics of the world evolve, our dedication to ethical excellence remains steadfast. We recognise that our position as the world’s most trusted profession is not a destination but an ongoing journey of continuous improvement. CA(SA) transcends being a mere designation; it is a force for good, a beacon of trust in an ever-evolving world. Our journey to the top is not just a personal triumph but a collective testament to the enduring values that make us not just professionals but guardians of trust and ethical integrity, making a significant and lasting difference in the world. As we journey forward, we recognise that we cannot become complacent; we must relentlessly strive for excellence, shaping a future where trust and ethical conduct are the cornerstones of economic prosperity and social progress.

REPORTING BOUNDARY

On 31 December 2023, the SAICA Group comprised SAICA, the Thuthuka Education Upliftment Fund (TEUF) and The Hope Factory Group (THF) (comprising The Hope Factory and its 100%-owned subsidiary, SAICA Enterprise Development). The reporting boundary includes these entities as well as these risks, opportunities and outcomes associated with these entities or key stakeholders outside of the financial reporting structure that have a significant and direct effect on the ability of the SAICA Group to create value.

There were no significant changes to SAICA and its activities during the year that affect comparability with the 2022 report and no material restatements of information provided in previous reports.

SAICA has embedded integrated thinking into its strategy, activities, decision-making processes and internal reporting to ensure that its short-, medium- and long-term impacts are considered. Management’s reports to the Board include the effects on and trade-offs between the six capitals the Institute uses or

affects. Our business model (pages 32-33) shows how SAICA creates value for stakeholders, as well as the capital inputs and outcomes arising from this process and the most material trade-offs during the year (page 34).

OUR APPROACH TO VALUE CREATION, PRESERVATION AND EROSION

SAICA’s financial, human, manufactured, intellectual, social and relationship, and natural capitals facilitate every aspect of our business and our ability to create long-term value. We have accordingly defined our structure, activities and performance against our strategy in this report in terms of these six capitals. Value creation, preservation and erosion are the consequences of how we apply and leverage our capitals as part of our strategy execution and are evident in how these capitals change over time.



VALUE

CREATION

SAICA creates value for members, society and other stakeholders by creating a community of prestigious and valued professionals that is:

- Respected, recognised and relevant for the future
- Connected, enabled and supported
- Held to a high ethical standard
- Making a difference in society

SAICA’s activities use the available capital inputs, balancing the trade-offs required to maximise value creation and mitigate value erosion.



VALUE

PRESERVATION

The Board sets the strategic direction of the Institute and provides continuous oversight of material matters, risks, opportunities and the strategic allocation of resources to ensure strategy execution and value preservation.

It is the custodian of good corporate governance, promoting an ethical and cohesive organisational culture, effective control, compliance, accountability, and responsive and transparent stakeholder engagement.



VALUE

EROSION

The Board oversees the risk management process to ensure that the risks taken to create value remain within the defined risk appetite and tolerance. The Enterprise Risk Management (ERM) policy and framework integrates risk with performance management and aligns strategic objectives and performance goals with related processes, risks and controls. SAICA’s strategic planning process includes the identification of material matters that have the potential to affect our ability to create value.

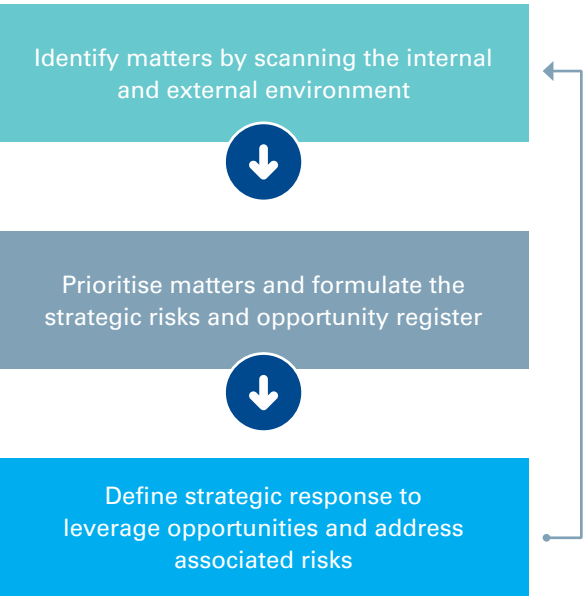
BASIS OF PREPARATION

The integrated report is prepared in accordance with the Integrated Reporting Framework of January 2021 and considers the principles of the King Report™ on Governance for South Africa 2016 (King IV™), the International Financial Reporting Standards (IFRS) and the Companies Act (2008) as amended. In this report, ‘short term’ refers to the coming financial year, ‘medium term’ is the period to 2025, and ‘long term’ is the period of 2026 and beyond.

The contents of the report reflect SAICA’s most material matters to provide stakeholders with insight into the matters that have the most potential to affect SAICA’s ability to create value (see pages 35 to 41). These matters were informed by:

- A review of SAICA’s external environment (see ‘Operating context’ on page 19)
- A review of SAICA’s internal environment and challenges (see ‘Key challenges’ on page 15)
- An assessment of the critical issues discussed and considered at SAICA Board, Board sub-committee and executive management meetings throughout the year (see CEO report on page 29 and Board committee reports on pages 58 to 63)
- An assessment of risks and opportunities (see ‘Risks and opportunities’ on page 43)
- A review and consideration of the Institute’s prior year material matters against the current year.

IN SUMMARY, OUR MATERIALITY DETERMINATION PROCESS IS AS FOLLOWS:



REPORT NAVIGATION

The following icons are used throughout the report to show the interconnectivity between core concepts and the various sections of this report. Working together, and also separately, these elements have the potential to substantially impact (positive and negative) our ability to create value over the short, medium and long term.

| STRATEGIC PILLARS | |
|-------------------|-------------------------------|
| | Member Value |
| | Relevance and Reputation |
| | Growth and Transformation |
| | Organisational Sustainability |

| MATERIAL MATTERS | |
|------------------|---|
| | State of the economy and the overall social-economic impact |
| | Sustainability approach |
| | Digitisation strategy implementation and challenges affecting member experience |
| | Disciplinary matters and by-laws |
| | Increasing regulatory requirements and member expectation gap |
| | Access, diversity and inclusivity |
| | Trust restoration |
| | Human capital in a value creation context |

CAPITALS

| Intellectual Capital | Financial Capital | Social and Relationship Capital | Human Capital | Manufactured Capital | Natural Capital |
|---|--|--|--|---|---|
| | | | | | |
| SAICA’s strong reputation, designations, thought leadership, technical development and digital transformation initiatives | Revenue from member subscriptions, fees from products and services, donor funding raised for learning and development programmes | Strong relationships with members, professional bodies, government, society and other stakeholders | Diverse capabilities, skills and experience of our staff members and volunteer members | Rented office premises, infrastructure used for education and training programmes, IT infrastructure and office equipment | The effect of our operations on the environment and sustainable development goals |
| | | | | | |

INTEGRATED THINKING

Integrated thinking helps us to expand the boundaries of our mindset, seeing ourselves as part of a larger system and considering the wider impact of our decisions beyond short-term financial rewards.

SAICA embraces integrated thinking through our strong stakeholder relations, robust risk mitigation processes, governance, how we care for our people and stakeholders, and ongoing communication.

Integrated reporting then becomes a natural extension providing our stakeholders with a clear and cohesive report that reflects our commitment to sustainable value creation and preservation.

COMBINED ASSURANCE

Our integrated reporting process, as well as the content of this report, follows the principles and requirements of the Integrated Reporting Framework and King IV™.

Management prepares and validates the report, ensuring that it provides a balanced and reasonable view of SAICA, its performance for the year and its outlook. Responsibility for producing the report is assigned to Exco and senior management, with oversight of the CEO. The report has been reviewed

and approved by the Board assisted by the Audit and Risk Committee. Financial information is extracted from the audited financial statements, which are available on our website (www.SAICA.org.za).

The alignment of the integrated report was independently reviewed by Mazars (SAICA’s external auditors) against the requirements of the Integrated Reporting Framework. SAICA’s combined assurance model is discussed on page 43.

Limited assurance is expressed by Mazars over the actual performance information used to evaluate performance against the strategic objectives. Based on their audit the following KPIs have not been assured due to limitation of supporting evidence:

- Learner reach - 5 151 learners through Grade 9 career awareness initiatives
- Carbon emissions 2253,5 tonnes CO2e (FY22: 630,41 tonnes CO2e)
- Purchased electricity 753 706,60 kWh (FY22: 727 113,81 kWh)
- Water use 6 961,77 kl (FY22: 5 574,33 kl)
- SAICA Sponsorship for SA Maths Foundation Olympiad : The first round reached 77 630 learners

Their limited assurance report can be viewed by clicking here. The assurance statements are available on our website and provide a detailed overview of the assurance provided.

FORWARD-LOOKING STATEMENTS

This report contains certain forward-looking statements concerning SAICA's financial position, results, operations and businesses. As these refer to events and depend on future circumstances, they involve risk and uncertainty. Various developments and factors could cause actual results and outcomes to differ materially from those expressed or implied in these forward-looking statements. No forward-looking statements have been reviewed or reported on by the Institute's auditors.

OUTLOOK

Outlook information comprises challenges, opportunities and disruptive factors we have identified that have the potential to affect the achievement of our strategic objectives and our mitigating response as well as opportunities identified. Outlook information can be found throughout this report.

PROCESS TO PRODUCE OUR INTEGRATED REPORT

The report preparation and presentation process are governed by our Board and led by the Executive Committee, with responsibility assigned to a core team of IR contributors and oversight of the Senior Executive: Strategy as the overall project coordinator.

Our 2023 integrated report is prepared with information sourced from minutes of the Board meetings, interviews and workshops as well as financial and non-financial reporting information.

The report drafts are reviewed by the Executive Committee, and then finally recommended by the Audit Committee and approved by the Board. The Board ensures the integrity of the integrated report through our integrated reporting process, with the Audit Committee ensuring that the appropriate assurances are provided by the Executive Committee, internal audit, external audit, and independent service providers.

APPROVAL BY THE BOARD

The Board acknowledges its responsibility to ensure the integrity of this report.

We have taken reasonable steps to put processes in place that ensure the integrity and credibility of the integrated report. In particular:

- The processes and controls ensure diverse input, checks and balances, credible sources, and effective internal controls to ensure accurate and complete information.
- Responsibility is allocated appropriately for input gathering, review by subject matter experts and assurance providers, and oversight by work groups and committees. A project leader appointed from senior leadership provides guidance and leadership.
- There has been adequate oversight and involvement of the Board and, in particular, in respect of the approval of the preparation process, materiality determination process, setting the parameters for the boundary of the report, and final review and approval of the content by the Board.

The Board is satisfied that the information contained in this report is presented in accordance with the Integrated Reporting Framework. This integrated report was approved by the Board on 29 April 2024.



The CGISA trophy and certificate

INTEGRATED REPORT RECOGNITION

The Corporate Governance Institute of South Africa (CGISA) host the Integrated Reporting Awards on an annual basis. The objective of the awards is to encourage innovation and excellence in integrated reporting in Southern Africa across the board, not only in the top JSE-listed companies. SAICA was honoured as the overall winner in 2023 in the Unlisted Companies and Nonprofit Companies category.



Meet Andrew Portmann CA(SA)
Managing Partner: Alpha BPO
CEO: Sprout Foundation
Difference Maker

CHARTING NEW HORIZONS

CREATING GLOBAL IMPACT

Andrew Portmann CA(SA) and category winner: Develop in SAICA's Top 35-under-35 Awards 2023, is a visionary leader on an extraordinary journey. Starting at BDO in Umhlanga and now as managing partner at Alpha BPO, Andrew's story is one of adventure and accomplishment, spanning industries and continents. With his CA(SA) expertise guiding him, he's mastered the art of business from SMEs to large corporations, leaving a lasting impact at every turn. Beyond business success, Andrew's commitment to social responsibility shines through initiatives like the Sprout Foundation, where he empowers youth and addresses unemployment.



OUR PURPOSE, VALUES, STRATEGIC INTENT AND MANDATE

SAICA is a voluntary, not-for-profit member organisation that operates in terms of its constitution. Our main sources of revenue are membership fees, fees from seminars and events, and donor funding.

SAICA is an active member of a number of international forums as part of our advocacy role and to participate in knowledge-sharing and global standard-setting. The Institute operates from its head office in Johannesburg and has offices in Bloemfontein, Cape Town and Durban located close to the business areas in which our members operate.

PURPOSE

TO ACHIEVE OUR PURPOSE, SAICA COMMITS TO:

Acting in the public interest and safeguarding the values of the profession

Promoting the common interests of members and associates nationally and internationally

Supporting and encouraging the advancement of skills and knowledge and ensuring members and associates have the appropriate competencies

Growing and transforming the profession

OUR VALUES

Our purpose is underpinned by six core values. During 2022, SAICA reviewed its values with the goal of fostering a culture of ownership at all levels and promoting a cohesive organisational identity. During 2023 the revamped MIPART values were incorporated in the Staff Appreciation and Recognition Awards to encourage staff members to embody the values. The awards were further rebranded to MIPART Difference Makers Awards which inspire employees to embody our values, contributing to the high-performance culture we aim to establish within the organisation.

Our principal purpose is to promote the common interests of members and associates and the public interest by enhancing the relevance, values, competence and influence of members and associates in South Africa and abroad, and to contribute to economic and social development in South Africa.

THE REFRESHED VALUES ARE AS FOLLOWS:

MEMBER CENTRICITY – We ensure a positive customer/ member experience by striving to exceed expectations

INTEGRITY – We demonstrate sound moral and ethical principles in everything we do

PROFESSIONAL BEHAVIOUR – We abide by laws, regulations and policies and refrain from any conduct that would bring SAICA and the profession into disrepute

ACCOUNTABILITY – We accept full responsibility for the outcomes of our actions

RESPECT – We hold SAICA, stakeholders and each other in high regard

TRANSPARENCY – We encourage an open and honest environment



WHO WE ARE

OUR STRATEGIC INTENT




To contribute to sustainable economies through developing responsible and ethical leaders

Strategic pillars 2021–2023

| | |
|---|--|
|  MEMBER VALUE | Delivering better member value and offerings that will see our members in high demand in the marketplace |
|  RELEVANCE AND REPUTATION | Continued relevance of the accountancy profession and the creation of an ethical culture in the service of public interest |
|  GROWTH AND TRANSFORMATION | Growth and transformation of the accountancy profession in terms of race and gender and in line with the overarching national agenda |
|  ORGANISATIONAL SUSTAINABILITY | The enhancement of internal efficiencies and effectiveness so that the Institute can better service its stakeholders |

OUR MANDATE – HOW WE DELIVER VALUE

SAICA is the leading accountancy body in South Africa and one of the prominent institutes globally. We are the custodian of three complementary accountancy designations, CA(SA), AGA(SA) and AT(SA), that respond to the country’s financial market needs and align with our intent to be represented in the full professional accountancy education and training landscape.

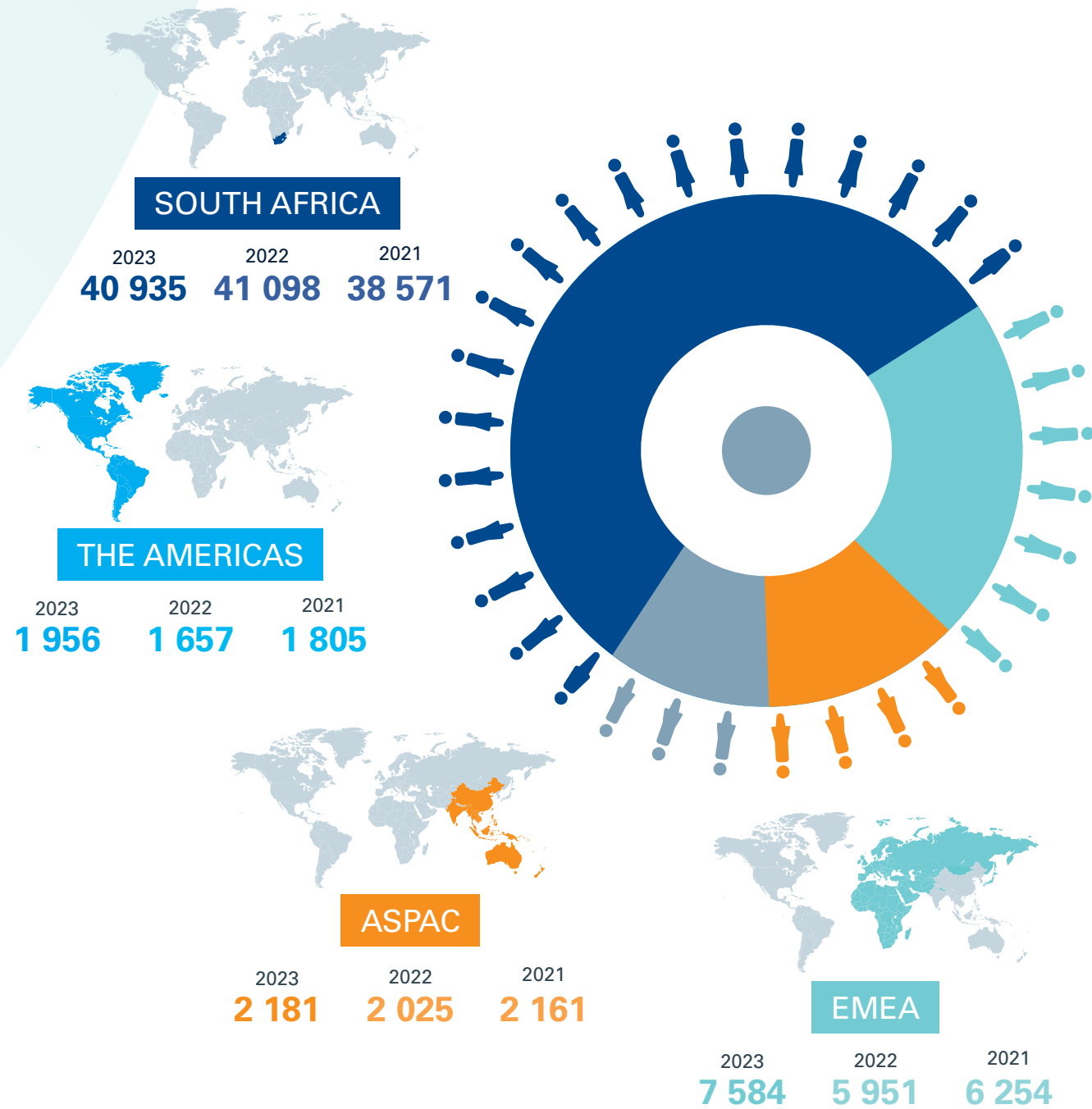
| | | |
|---|---|---|
|  |  |  |
| CHARTERED ACCOUNTANTS | ASSOCIATE GENERAL ACCOUNTANTS | ACCOUNTING TECHNICIANS |
| A leadership designation for accountants at the forefront of business and the broader economy | A professional accountancy designation for accountants enhancing value and driving operational performance in organisations | A practice-based, work-ready accounting, finance and business qualification and professional membership for entry-level to mid-tier accountants |
| 52 656 MEMBERS (2022: 50 731) | 4 674 MEMBERS (2022: 4 449) | 439 MEMBERS (2022: 427) |

OUR MEMBER FOOTPRINT

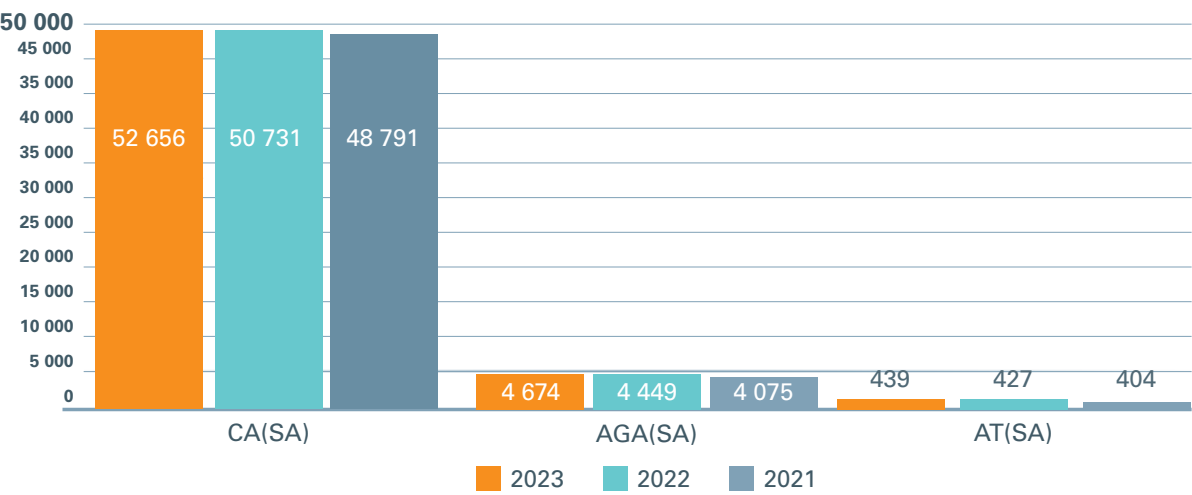
These three designations are underpinned by the SAICA Code of Professional Conduct (the SAICA Code) and continuous professional development (CPD) to ensure the highest level of professionalism, discipline and performance.

We have 57 769 active members and associates around the world (FY22: 55 607). Recognition agreements with 15 peer accountancy institutes worldwide improve members’ professional mobility and international business networks.

MEMBER FOOTPRINT (EXCLUDING AGA(SA) AND AT(SA))



MEMBERS AND ASSOCIATES (NET GROWTH YEAR ON YEAR)*



* The net growth comprises the opening balance from the prior year plus the new members that join during the year, plus reinstatements that occur during the year, less terminations during the year to get to the closing figure at the end of the year.



OPERATIONAL STRUCTURE TO SUPPORT MEMBERS

| STANDARDS DIVISION | LEARNING, DEVELOPMENT AND NATIONAL IMPERATIVES DIVISION |
|--|---|
| <p>Drives member representation, value provision and support</p> <p>Advocates and influences fit for purpose legislation, standards and policies nationally and internationally</p> <ul style="list-style-type: none">Ethics standardsTaxationAudit and assurancePublic sectorCorporate reportingSustainability and ESG | <p>Manages the qualification of new members and associates, the transformation of the industry and post-qualification continuous development</p> <p>Houses the donor-funded initiatives that drive social contribution</p> <ul style="list-style-type: none">Learning and Development (Education, Exams, Training, CPD and Recognition and Reciprocity)Transformation and Growth (Thuthuka)National Imperatives (SMME Support, Special Projects, Advocacy and Policy Reform projects) |

MEMBER ENGAGEMENT DIVISION

| | |
|--|---|
| <p>Ensures members remain connected, enabled and supported</p> | <ul style="list-style-type: none">Networking opportunitiesPositive economic contribution by representing the profession in national conversations and advocacy to promote the premiership designation of the professionStrategic and global partnershipsProfessional support |
|--|---|

FACILITATED AND SUPPORTED BY

| | | | |
|--|--|--|--|
| <ul style="list-style-type: none">Brand and MarketingStrategyRisk and Compliance | <ul style="list-style-type: none">Legal and Governance | <ul style="list-style-type: none">FinanceIT | <ul style="list-style-type: none">Human CapitalFacilities |
|--|--|--|--|



2023 SAICA AT A GLANCE



MEMBER VALUE

FOUR-MONTHLY MEMBER SUPPORT

– In practice series including tech talk, ethics in practice, tax in practice and compliance in practice



CA(SA) AWARDS: CELEBRATING A DECADE OF EXCELLENCE



LMS – EVOLVE PLATFORM LAUNCHED

> **500** courses uploaded
28 108 enrolments



SHAPING THE FUTURE

for professional
excellence
Stakeholder-inclusive
SAICA strategy
2024–2028
formulation

127 national seminars
and events
QUALITY
RATING **4,47/5**

122 international events
QUALITY
RATING **4,7/5**

**R9,5
MILLION**
in sponsorships



**USHINTSHO
STAGE 2
DELIVERED**

Single
Member Portal

30 **MEETINGS**

Discussions between small
practices and IRBA to
address unique challenges

ENGAGED WITH SMPs
to understand challenges
and replicate successes



CAPACITATED
THE SMALL PRACTICES
PORTFOLIO

79
PRACTITIONERS
ENGAGED

LAUNCH OF
THE NEW
COMPLIANCE
IN PRACTICE
PRODUCT

Inaugural podcast, SAICABiz



Showcased SMPs' expertise to SMMEs

Hosted the launch of the
ISSB IFRS Sustainability
Disclosure Standards
into South Africa



Enhanced SMME support



The Hope Factory and SAICA
Enterprise Development)

**553 SMMEs AND START-UPS
SUPPORTED**

LEADEREX

SAICA Difference Makers
and Anti-corruption Summit



SECOND CHAIRMAN'S
DIFFERENCE MAKERS AWARDS



**TRAINEE
TRAILBLAZER
COMPETITION**

Recognising and celebrating
outstanding trainee achievements



THE SAICA SOUTH AFRICAN
OF THE YEAR IN AUSTRALIA
AWARDS

RECOGNISING EXCELLENCE BEYOND BORDERS
LAUNCH OF THE SOUTH AFRICAN OF THE YEAR
IN AUSTRALIA AWARDS

SUCCESSFUL PROSECUTION OF
190 COMPLAINTS INCLUDING THE
COMPLAINT REFERRED TO SAICA
BY THE ZONDO COMMISSION



RELEVANCE AND REPUTATION

SAICA
DIFFERENCE MAKERS™

OVERALL BRAND ADMIRATION

82%
(FY22: 79%)

UK, IRELAND AND AUSTRALIA ROADSHOW
Building relationships with recruitment firms, technical competency recognition

Strengthening the collaboration agreement between **SAICA** and **CIGFARO**
Enhancing the profession's impact in the public sector

TRUST IN CAs(SA)
AskAfrika
(FY22: 83%) **84%**

Accountancy SA Members' Satisfaction

85%
(FY22: 83%)

Media exposure **R69,1 million**
Decline in total negative media exposure **4,8%**
(FY22: 5.3%)

Advocacy submissions to numerous global standard setters including **the IASB, ISSB, IESBA, IPSASB, GAA and the GRI**



SAICA publishes its sixth United Nations SDG Report

THE COLLECTIVE CONTRIBUTION OF THE ACCOUNTANCY PROFESSION TOWARDS BUILDING THE NATION AND MAKING THE WORLD MORE SUSTAINABLE, REALISING THE SDG GOALS

SUSTAINABLE DEVELOPMENT GOALS 2023 REPORT

CA(SA) AGA(SA) ATISA




Pieter Faber, SAICA Executive of Taxation, elected as the new chairperson of the Global Accounting Alliance's **(GAA)** tax workgroup

HOSTED THE **IASB'S EMERGING ECONOMIES GROUP MEETING** IN SOUTH AFRICA



DISCIPLINARY CODE AMENDED TO IMPROVE CASE LOAD MANAGEMENT

MULTIPLE PRESENTATIONS TO PARLIAMENT CONTRIBUTING TO THE FINALISATION OF A **FISCAL BUDGET**



LEADING THE ADOPTION OF SUSTAINABILITY REPORTING INTO SA

Collaborations with global accounting bodies to influence the sustainability reporting landscape



HOSTED THE GAA EDUCATION DIRECTORS IN SOUTH AFRICA



Enhanced Strategic Partnerships with **IFAC, IAASB, IFRS** Foundation

ADVOCATING FOR IMPROVED LEGISLATION AND STANDARDS IN THE PUBLIC SECTOR



GROWTH AND TRANSFORMATION

#GearUp4Thuthuka

Profiling and promoting Thuthuka through sports, arts, and culture

Hosted **FASSET-funded HDI** capacity-building workshops

HONOURING JEFFREY VAN ROOYEN THROUGH DIFFERENCE MAKERS AWARDS

FOUNDER AND PRESIDENT OF THE ADVANCEMENT OF BLACK ACCOUNTANTS OF SOUTHERN AFRICA (ABASA)

University **REACH**
SAICA CEO leadership talks at various universities
SAICA Board Chairman guest lectures on ethics at various universities

University **REACH** cntd

- **Thuthuka focus driving transformation**
 - Funding for 1 100 students raised
- **Historically Disadvantaged Institutions (HDI)**
 - Capacity-development programmes
- **Thuthuka ICAS programme** - Promoting mental wellness
- Renewed **NSFAS** support for next three years
- **Thuthuka lite** – supporting students beyond Thuthuka
- Confirmed **NSF funding** for three years

THUTHUKA ITC PASS RATES

94%

57 769

ACTIVE MEMBERS AND ASSOCIATES
(FY22: 55 607)

2 735

NEW CAs(SA)
(FY22: 2 703)

FUNDING FROM FASSET FOR MATHS DEVELOPMENT CAMPS

R5m

(FY22: R4,352 MILLION)

LEARNER REACH

- 861** learners at SAICA's Business Games
- 1 980** learners at SAICA's Development Camps
- 2 938** learners at SAICA's Accounting Olympiads
- 158** learners at SAICA's Accounting quizzes
- 31 237** learners through career awareness initiatives

MATHS EDUCATOR PROGRAMME

IN PARTNERSHIP WITH **SA Maths Foundation**

ACHIEVEMENTS

SAICA ED and The Hope Factory Group exceeded income targets. The Hope Factory Group increased customer retention rates to

74%

(FY 22: 50%)

ESTABLISHED THUTHUKA ALUMNI COMMITTEE

Ten founding members of the Thuthuka Alumni Community Board will serve as ambassadors, mobilising funding and expanding TEUF networks

THUTHUKA FUNDRAISING TASK FORCE

Young professionals, including CEOs, have joined forces to help Thuthuka with fundraising and connecting to potential international donors

SAICA SPONSORSHIP FOR SA MATHS FOUNDATION OLYMPIAD

1 125 SCHOOLS

SAICA launches first globally affiliated youth brand campaign

Inspiring young individuals to become difference makers and future members of **SAICA**

MEMBER CONVERSION RATE

86,9%

(FY22: 83%)

BackaBuddy platform for Thuthuka pledges

OVER R50 000 RAISED



ORGANISATIONAL SUSTAINABILITY

DIGITISATION
ACHIEVEMENTS

New accounts query management
feature for members

Enhanced digitised user journey
for member applications

B-BBEE Level 2

from Level 8 in 2021

Targeted focus on EE, disability inclusion,
learning opportunities leading to
permanent employment

EMPLOYEE
ENGAGEMENT SCORE

84%
(FY22: 78%)

ELEVATED ESG AND SUSTAINABILITY

- Formulation of a SAICA Sustainability Strategy
- Environmental management policy approved
- Calculation of certain Scope 3 emissions
- Expanded oversight of SETCO for SAICA environmental protection strategy
- Formalising ESG and sustainability in SAICA 2024-2028 strategy

APC E-WRITING
PROCESS
IMPROVEMENTS

Diversity, Equity, Inclusion
and Belonging – Diversity
awareness sessions conducted for
SAICA employees

EMOTIONAL
WELL-BEING AND
SUPPORT

Comprehensive
wellness framework
addressing employee
mental, physical, social,
and financial well-being

ICAS uptake
37 cases
(FY22: 42)



SKILLS
DEVELOPMENT
R3,7
million
invested in skills
development
(FY22: R2,6 million)

LEADERSHIP DEVELOPMENT

38 MANAGERS enrolled in SAICA coaching
programme to unlock their potential
and foster a unified vision to achieve
business imperatives

REDUCED
EMPLOYEE
TURNOVER

4,9%
(FY22: 10,53%)

RECOGNITION AND REWARD



DIFFERENCE MAKERS AWARDS



Values incorporated into the
Employee Recognition Awards





KEY CHALLENGES EXPERIENCED IN 2023




LEGEND

| | | | | | |
|------------|---|-------------|---|-----------|---|
| Short term | S | Medium term | M | Long term | L |
|------------|---|-------------|---|-----------|---|

| KEY CHALLENGES EXPERIENCED IN 2023 | | | | | | |
|---|---|---|---|---|--|--|
| SMALL-MEDIUM PRACTICES EXPECTATIONS | | | | | | |
| CHALLENGE | RESPONSE | S | M | L | STRATEGIC PILLARS | |
| Perceived lack of support in the small-medium practices (SMP) environment. The SMP constituency does not feel adequately supported by SAICA | The Member Engagement division expanded its responsibilities to include the Practices portfolio This portfolio was strengthened by engaging directly with practitioners nationwide | ✓ | | |  | |
| | These interactions provided valuable insights into members’ operational contexts, strengths and challenges. Subsequently, a comprehensive project plan was developed and approved by the national Small and Medium Practices (SMP) interest group | | ✓ | ✓ | | |
| | Additionally, focused engagements were facilitated between SMPs, registered auditors, and the Independent Regulatory Board for Auditors (IRBA). The outcomes of these engagements were well received by members and the IRBA, leading to initiatives tailored for small audit firms and continuing beyond 2024 | ✓ | ✓ | ✓ | MATERIAL MATTERS | |
| | SAICA launched SAICABiz, its first podcast, spotlighting small and medium practitioners (SMPs) as trusted business advisors for SMEs. Through tailored support and advice, the platform aims to bridge knowledge gaps, empower small businesses to navigate challenges, and achieve sustainable growth. Additionally, it enhances the brand value of SAICA-accredited practitioners by profiling them as go-to business experts and Difference Makers | ✓ | | |  | |

| KEY CHALLENGES EXPERIENCED IN 2023 | | | | | | |
|---|--|---|---|---|---|--|
| DIGITISATION: TRAINING CONTRACT MANAGEMENT SYSTEM (TCMS) AND ELECTRONIC ASSESSMENT TOOL (EAT) | | | | | | |
| CHALLENGE | RESPONSE | S | M | L | STRATEGIC PILLARS | |
| The challenge faced by SAICA regarding the Training Contract Management System (TCMS) and Electronic Assessment Tool (EAT) led to a backlog of contracts awaiting IRBA approval and payment | In response, SAICA established a TCMS stabilisation project to address performance issues and resolve user frustrations. This project involved testing and deploying bug fixes, resulting in the resolution of several issues and the reduction of backlog queries | ✓ | | |  | |
| | Furthermore, a flight migration plan was developed for TCMS to migrate it to a new solution built on modernised and stable infrastructure | ✓ | ✓ | | | |
| | SAICA has initiatives in development and planned for rollout in 2024, including upgrading the TCMS and EAT systems to ensure improved performance and functionality | ✓ | ✓ | | MATERIAL MATTERS | |
| | | | | |  | |

| KEY CHALLENGES EXPERIENCED IN 2023 | | | | | | |
|---|--|---|---|---|---|--|
| PIPELINE CHALLENGES INCLUDING THE NUMBER OF LEARNERS PASSING MATHEMATICS, LOW PASS RATES AT THIRD YEAR AND PGDA AND GAP IN PASS RATES FOR THE ITC AND APC | | | | | | |
| CHALLENGE | RESPONSE | S | M | L | STRATEGIC PILLARS | |
| The low number of learners passing maths with at least 60% | Develop targeted support programmes in collaboration with schools, universities and other key role players to strengthen maths education. SAICA is doing this by raising funding aimed at school-level initiatives with a specific focus on mathematics | ✓ | ✓ | ✓ |  | |
| | SAICA is also continuing to advocate for support for students in third year and PGDA and will continue raising funds for these initiatives | ✓ | ✓ | ✓ | | |
| | At a strategic level, SAICA continues to engage with the affected distance providers to ensure they build the necessary structures to support students better. There have been engagements between the identified provider with key stakeholders in the profession | ✓ | ✓ | ✓ | MATERIAL MATTERS | |
| | Continue raising funds to support candidates through SAICA's ITC and APC repeat programmes | ✓ | ✓ | ✓ |    | |
| | Implementation of the APC and ITC working group recommendations | ✓ | ✓ | ✓ | | |



| KEY CHALLENGES EXPERIENCED IN 2023 | | | | | | |
|---|---|---|---|---|---|--|
| CHALLENGES WITH CERTAIN ACADEMIC SERVICE PROVIDERS | | | | | | |
| CHALLENGE | RESPONSE | S | M | L | STRATEGIC PILLARS | |
| SAICA faces challenges with certain academic service providers, including the risk of HDIs losing their SAICA accreditation due to not meeting criteria. Additionally, declining enrolment in the CA programme is attributed to factors such as decreasing mathematics study, declining pass rates, and challenges at distance learning providers | SAICA is implementing more regular monitoring activities and providing ongoing support for HDIs through workshops and capacity-building initiatives to mitigate the risk of accreditation loss | ✓ | ✓ | ✓ |   | |
| | SAICA is actively promoting the CA profession and its designations through deeper engagements with academic providers, partnerships with provincial Departments of Basic Education, and contributions to organisations like the South African Maths Foundation | ✓ | ✓ | ✓ | | |
| | SAICA is partnering with universities to promote its CA of the Future Framework, ensuring teaching and learning methodologies are updated accordingly | ✓ | ✓ | ✓ | MATERIAL MATTERS | |
| | SAICA has held targeted support interventions for the HDIs. These include lecturer development workshops. FASSET funded the 2023 workshops for the HDIs. SAICA collaborates closely with three HDIs that are yet to achieve accreditation at a PGDA level. Plans have been established, and SAICA has partnered with established providers to support capacity development for these institutions | ✓ | ✓ | ✓ |  | |
| | SAICA is increasing collaboration with distance providers, gaining endorsement and support from university senior management to address challenges and support student success | ✓ | ✓ | ✓ | | |



| KEY CHALLENGES EXPERIENCED IN 2023 | | | | | | |
|--|---|---|---|---|---|---|
| THE RESOLUTION OF TAX PRACTITIONER CASES | | | | | | |
| CHALLENGE | RESPONSE | S | M | L | STRATEGIC PILLARS | |
| <p>SAICA faces challenges regarding the resolution of tax practitioner cases, with tax practitioners expressing dissatisfaction over the prolonged duration of disciplinary processes. Concerns have been raised about disciplinary actions initiated for minor delays in tax practitioner declaration submissions, causing frustration among members</p> <p>Additionally, technical issues with the submission of CPD declarations have further exacerbated member frustration and fear of disciplinary action, given the history of tax practitioner disciplinarys</p> | An ad hoc committee commissioned by the Social, Ethics and Transformation Committee (SETCO) has been formed to oversee the timely resolution of all complaints related to tax practitioners (Tax Practitioner Committee) | ✓ | | |  | |
| | The Disciplinary Code was revised to incorporate streamlined processes for handling complaints regarding late submissions of declarations by tax practitioner members | ✓ | | | | |
| | SAICA has enhanced member compliance awareness through various channels, including presentations at Regional Council meetings, weekly Integritax newsletters, website announcements, banners, calling campaigns, and communication via emails and SMS messages | ✓ | | | MATERIAL MATTERS | |
| | SAICA has engaged with SARS regarding expanded tax practitioner regulatory requirements and has expressed concerns. SARS has amended certain proposals with further engagements planned for 2024 to address remaining concerns and mitigate the negative impact on the tax profession | ✓ | | | | |
| | Tax practitioner annual declarations are accessible through the SAICA Member Portal and technical issues are being resolved on a case-by-case basis | ✓ | ✓ | ✓ | |  |

| KEY CHALLENGES EXPERIENCED IN 2023 | | | | | | |
|--|--|---|---|---|---|--|
| ATTRACTIVENESS AND SUSTAINABILITY OF THE AUDIT PROFESSION | | | | | | |
| CHALLENGE | RESPONSE | S | M | L | STRATEGIC PILLARS | |
| The audit profession faces challenges related to its attractiveness and sustainability, impacting its role in ensuring financial stability and attracting investments. SAICA recognises the need for reforms to address these challenges and enhance the profession’s effectiveness, particularly in the public sector | SAICA has launched an Audit Reform initiative aimed at rebuilding confidence in the auditing profession. Through this initiative, various strategies have been implemented to highlight the significance of auditing in the broader financial reporting landscape | ✓ | ✓ | ✓ |  | |
| | This includes showcasing the achievements of our members in the assurance sector across SAICA platforms, engaging with media to emphasise the profession’s importance, and conducting webinars addressing pivotal topics shaping the profession’s future | ✓ | ✓ | ✓ | | |
| | SAICA is profiling the impactful work of our members and firms across South Africa, showcasing the profession’s vital role in the broader financial reporting ecosystem. These efforts are instrumental in enhancing awareness and trust in the auditing profession, contributing to its restoration and continued relevance in South Africa’s capital markets | ✓ | ✓ | ✓ | MATERIAL MATTERS  | |



| KEY CHALLENGES EXPERIENCED IN 2023 | | | | | | |
|--|--|---|---|---|---|--|
| GROWING AND SUPPORTING MEMBERS IN THE PUBLIC SECTOR | | | | | | |
| CHALLENGE | RESPONSE | S | M | L | STRATEGIC PILLARS | |
| <p>The public sector faces a critical shortage of skilled resources leading to challenges in public finance management and audit outcomes</p> <p>Effective legislation and standards are essential for regulating financial management and ensuring the proper use of public funds</p> | Supporting the implementation of frameworks for professionalising the public service, SAICA collaborates with institutions to enhance the skills of finance divisions. Contributing to efforts to improve public finance management and governance, SAICA makes advocacy submissions, including contributions to the Public Procurement Bill | ✓ | ✓ | ✓ |  | |
| | Empowering public sector CFOs with technical skills, SAICA assists in providing training and support to prepare statements and improving finance management | ✓ | ✓ | ✓ | <p>MATERIAL MATTERS</p> <div></div> | |
| | Additionally, SAICA's inaugural Public Sector Summit facilitated discussions, knowledge sharing, and collaborations aimed at fostering transformation within the public sector. The summit addressed challenges and explored innovative approaches and best practices for building a better public sector, including reforms in public procurement and better expertise management for improved service delivery | ✓ | | | | |

| KEY CHALLENGES EXPERIENCED IN 2023 | | | | | | |
|--|---|---|---|---|--|--|
| IMPACT OF ENHANCED REGULATION WITHIN THE PROFESSION AND IMPACT ON SAICA AND ITS MEMBERS | | | | | | |
| CHALLENGE | RESPONSE | S | M | L | STRATEGIC PILLARS | |
| <p>SAICA faces increased regulatory demands, particularly from SARS, requiring the verification of tax practitioners' CPD records. Proposed changes to Registered Controlling Body (RCB) criteria by SARS may strain SAICA's resources, potentially leading to a dual role as both a member body and regulator. Furthermore, other regulators are delegating their regulatory responsibilities to professional accounting organisations, adding to SAICA's regulatory burden</p> | SAICA is actively engaging with regulators, including SARS and the CIPC, to establish common ground and manage expectations within existing timeframes and system capabilities. Continuous engagement aims to clarify SAICA's role and align expectations with regulators, ensuring efficient compliance while mitigating the strain on resources and potential dual regulatory roles | ✓ | ✓ | ✓ |  | |
| | SAICA's proactive approach to adaptation and innovation aims to future-proof the profession, ensuring that its resources and expertise remain relevant and impactful in the evolving accountancy environment | ✓ | ✓ | ✓ | <p>MATERIAL MATTERS</p> <div></div> | |



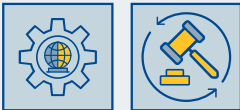



OPERATING CONTEXT

SAICA continues to operate in a dynamic operating context. This context is defined by the global and local drivers that influence our ability to function, as well as the macroeconomic factors in South Africa. In some instances, our direct control of these is limited, but we consider the trends to make strategic choices and leverage opportunities to make a difference for long-term sustainability and value creation.

| SOCIO-ECONOMIC CHALLENGES | | OUTLOOK |
|---|---|--|
| The South African economy is struggling, and the political climate is volatile | | |
| Socio-economic challenges are characterised by high unemployment levels increasing, disrupted energy supplies, an unreliable power source and the effect on the economy, water shortages, a deteriorating infrastructure, rising corruption, a lack of accountability, governance and productivity, service delivery protests, an increase in immigration, outcomes of the Zondo Commission and implications for the profession | The South African socio-economic context is characterised by: <ul style="list-style-type: none">• Low gross domestic product (GDP) growth and high levels of unemployment• Inflation driving higher interest rates and constraining spending• Ongoing load-shedding that is causing significant disruptions to the economy as well as increasing the cost and affecting the ease of doing business• Public infrastructure deterioration and poor service delivery• Social instability persists as rising inequality and youth unemployment continues• An unstable political climate as the country approaches the next election in 2024• The weak rand further contributes to the sluggish economy• Corruption continuing and slow progress in prosecutions evolving from the Zondo Commission, with some members implicated in the commission's report | <p>The South African Reserve Bank's growth expectations for 2024 and 2025 have remained unchanged at 1,2% and 1,3% respectively</p> <p>Unemployment remains high (around 32%) and youth unemployment exceeds 50%</p> <p>Spending pressures are increasing to close the financing gap in health, infrastructure and higher education</p> <p>Political instability is expected to persist leading up to the national elections in 2024</p> |

HOW THIS AFFECTS OUR STRATEGY/RESPONSE

| | |
|--|---|
| <ul style="list-style-type: none">• Engaging, where necessary, with members to address non-payment of fees. SAICA depends on member fees for revenue and donations to fund projects addressing national imperatives. Pressure on business and members represents a risk in accessing sufficient financial capital to execute on our strategy• The importance for the sustainability of the profession and society of our strategic focus in contributing to national imperatives is emphasised• Engagement with government as a key stakeholder and we have a number of projects to support the effectiveness of the public sector• Hosting of inaugural Public Sector Summit aimed at fostering partnerships with key stakeholders to collectively address challenges impacting the public sector and citizens. The summit featured prominent stakeholders including | <p>National Treasury, the Public Service Commission, the Auditor-General of South Africa, and CIGFARO (see page 91 - Standards report and page 74 - SDG Report, SDG 16)</p> <ul style="list-style-type: none">• Amendment of our by-laws required to streamline the disciplinary process• Hosting of the SAICA Difference Makers and Anti-corruption Summit at Leaderex, involving key stakeholders to devise solutions to address issues raised by the commission and contribute positively to the broader fight against corruption• Recognising that SAICA, its members, and all other business enterprises constitute our country, along with government and civil society. If we want a successful country, we must contribute towards the achievement of this, recognising that it is irresponsible to expect that government should undertake the fulfilment of this on its own |
|--|---|








| MATERIAL THEMES / MATTERS AFFECTED | STRATEGIC INITIATIVES AFFECTED | TOP RISKS AFFECTED | CAPITALS AFFECTED |
|---|---|--|---|
|  |  |  refer to top risks on pages 45 and 46 |  |



| ONGOING EVOLVING REGULATION | | OUTLOOK |
|--|--|--|
| Issuing of new regulations continues, some intended to reduce regulatory burdens | | |
| South Africa's financial system is being overhauled, with Parliament in the process of introducing various amendments to critical business legislation | New regulations and proposed changes to current regulations have over time increased the complexity of doing business, which could negatively affect business confidence and reduce capital investment | As emerging technologies drive new business and service models, governments must rapidly create, modify and enforce regulations |
| Increasing outsourcing of some of the regulatory functions by statutory regulators to the professional bodies will have resource and reputational implications as it would result in SAICA performing a dual role as a member body and a regulator | In 2022, new legislation was introduced by Parliament, which included provisions with a focus on strengthening the methods of mitigating financial crime, altering workplace transformation laws and making it easier to do business. Despite the introduction of these laws, South Africa was still grey-listed by the Financial Action Task Force (FATF) | ESG will continue to be driving force. Regulatory initiatives will spread around the globe, with a growing focus on social issues (including diversity) as well as environmental imperatives |
| | | Adoption and implementation of new/evolved corporate reporting regulations will be a focus |

HOW THIS AFFECTS OUR STRATEGY/RESPONSE

- Engagement with regulators and government departments to understand the impact of proposed regulations and changes, provide input, and advocate for members' interests where necessary
 - Providing thought leadership and guidance for members on the implications of upcoming regulations and the requirements to ensure compliance
 - Inviting regulators to present on web-based events with members and facilitate knowledge sessions
 - Applying a response which seeks to support regulators in their ongoing efforts to regulate effectively and efficiently to protect capital markets and support investment while balancing the requirements of members and the ability of SAICA to support both regulators and members given the current resource capacity and constraints
 - Presenting to regulators such as the FIC, CIPC and the Masters' Office to ensure that there is collaboration and that new regulations are fit for purpose for the accountancy profession. SAICA has a social responsibility to collaborate
- with legislators to ensure that the country is removed from the FATF grey list. This is important given that SAICA members occupy decision-making roles in business and have a role to play in combating money laundering
- ADDITIONAL INITIATIVES INCLUDE:
- Developing an Anti-Money Laundering website
 - Launching a monthly Compliance in Practice series addressing regulatory requirements
 - Submitting comment letters to regulators on proposed regulations, guides and legislation
 - Collaborating with regulators to ensure that guides and regulations are fit for purpose for the accountancy profession

| MATERIAL THEMES / MATTERS AFFECTED | STRATEGIC INITIATIVES AFFECTED | TOP RISKS AFFECTED | CAPITALS AFFECTED |
|---|---|--|---|
|  |  |  refer to top risks on page 46 |     |



| MATHEMATICS IS A MAJOR CONCERN The poor state of education impacts the CA pipeline | | OUTLOOK |
|--|--|---|
| The future pipeline of accounting students is hindered by underperforming and under-capacitated education institutions | Basic education challenges A major concern at a basic education level is mathematics. The low number of learners taking mathematics in high school, compounded by the extremely low number of learners passing with at least 60%, means that the accountancy profession pipeline is at risk. Added to this is the need for further development of mathematics educators | SAICA plans to address mathematics challenges through partnerships in the short term and advocate for a comprehensive plan in the long term In the training ecosystem, partnerships will be established with accredited providers Continued interventions will support candidates in narrowing the gap in the pass rates of different racial groups |
| | Challenges in the tertiary education sector At a tertiary education level, challenges exist due to the low pass rates for third-year and PGDA students. These factors affect all institutions but significantly affected are the historically disadvantaged universities and the distance providers Certain distant education providers have recently struggled due to significantly low throughput rates | |
| | | |

HOW THIS AFFECTS OUR STRATEGY/RESPONSE

SAICA's strategy must incorporate clear and intentional initiatives aimed at addressing these matters. These include:

- Developing targeted support programmes in collaboration with schools, universities and other key role players to strengthen maths education. SAICA is doing this by raising funding aimed at school-level initiatives with a specific focus on mathematics
- SAICA is also continuing to advocate for support for students in third year and PGDA and will continue raising funds for these initiatives
- In addition to the normal accreditation and monitoring processes, at a strategic level SAICA continues to engage with the affected distance providers to ensure that they are building the necessary structures to better support students

SAICA's efforts to uplift education (school and tertiary) include:

SCHOOL REACH

- SAICA development camps in partnership with the provincial Departments of Education to assist learners in mathematics continued. These have seen learners who attend passing mathematics at the required level to ensure the growth of the chartered accountancy profession
- Considering the use of technology to augment educator capacity
- Investing in the development of mathematics educators
- The SAICA Educator Development Programme: This programme provides professional development opportunities for mathematics teachers
- The SAICA Maths Buddy Campaign: This campaign encourages mathematics teachers to share their passion for the subject with their learners

SAICA SPONSORSHIP OF THE SOUTH AFRICAN MATHS FOUNDATION'S MATHEMATICS OLYMPIAD

The South African Mathematics Olympiad is a prestigious mathematics competition that is open to all Grade 10 and Grade 11 learners in South Africa. The competition is designed to identify and nurture talented young mathematicians and to promote the importance of mathematics education. The SAICA sponsorship of the Olympiad has been a resounding success, with 1 125 schools participating in the first round of the competition in 2023





In addition to providing financial support for the competition, SAICA also provides a number of other resources to learners, such as study guides, online quizzes, and workshops. SAICA also partners with the provincial departments of education to promote the competition and to provide support to learners and teachers

SAICA SPONSORSHIP OF THE SOUTH AFRICAN MATHS FOUNDATION'S EDUCATOR DEVELOPMENT PROGRAMME

SAICA sponsored the primary school maths educators problem-solving course. This saw more than 200 maths and accounting teachers enrol for the programme. SAICA is hopeful that improving the teachers' understanding of mathematics will have a positive impact on how the teachers teach mathematics and in turn contribute positively to the results of the learners

At a university level, SAICA continues its transformation initiatives through the Thuthuka Bursary. The bursary fund provides financial support to learners deserving students who wish to study towards chartered accountancy













Read more on page 96

| MATERIAL THEMES / MATTERS AFFECTED | STRATEGIC INITIATIVES AFFECTED | TOP RISKS AFFECTED | CAPITALS AFFECTED |
|---|---|--|---|
|  |  |  refer to top risks on pages 88 and 90 |  |

| BUILDING RESILIENT BUSINESSES IN A DYNAMIC WORLD Embracing digitalisation and sustaining hybrid models, upskilling for the future, and prioritising mental well-being | | OUTLOOK |
|--|--|--|
| <p>The world is shifting rapidly, driven by evolving work environments, ever-changing skills demands, and a heightened focus on employee well-being in the post-pandemic era. In this dynamic landscape, building resilient businesses is no longer just a strategic advantage, it's an imperative for survival</p> | | <p>Businesses continue to identify opportunities while becoming stronger, including resilience to navigate future shocks</p> <p>Businesses will be transformed by the complex interplay between social, economic and political shifts, disruptive ideas, bold strategies and breakthroughs in science and technology</p> |
| <p>Hybrid and changed environments necessitate agility, flexibility, and a focus on attracting and retaining talent in a hyper-competitive market. Companies must prioritise alignment with a clear purpose, offer meaningful growth opportunities, and invest in holistic employee well-being to win top talent</p> <p>Ethical leadership, strong governance, and compliance are crucial for building trust and protecting reputation in a world where consumers and investors increasingly judge companies on their social and environmental impact</p> <p>We live in a hyper-connected world, but with great connectivity comes great vulnerability. Cyber threats and data breaches are on the rise, demanding proactive measures like employee training, robust cybersecurity infrastructure, and regular penetration testing. Building resilience starts with understanding and mitigating these digital risks</p> | | |

HOW THIS AFFECTS OUR STRATEGY/RESPONSE

- Annual employee engagement surveys to gather insights into employees’ experiences, priorities, and areas for improvement
 - Seeking to be the employer of choice through a robust talent management framework focused on acquiring and retaining skills for effective business continuity. SAICA's comprehensive Talent Management Framework and Talent Acquisition Framework, integrated within CTMF, ensure proactive attraction, engagement, development, and retention of high-calibre talent aligned with SAICA's objectives
- Prioritising employee wellness through initiatives promoting mental health, financial wellness, social well-being, and physical health under the Wellness Framework
 - Emphasising the importance of ethical leadership, strong governance, and compliance in building trust and protecting reputation in today’s business environment
 - Proactively monitoring and preventing potential security incidents with our cyber security strategy through the Managed Security Operations Centre (MSOC)

| MATERIAL THEMES / MATTERS AFFECTED | STRATEGIC INITIATIVES AFFECTED | TOP RISKS AFFECTED | CAPITALS AFFECTED |
|---|---|--|---|
|     |   |    <p>refer to top risks on page 46</p> |    |



ELEVATION OF ESG/SUSTAINABILITY

A strong focus on ESG is a business imperative for creating a thriving society and driving economic growth for a greener sustainable future

The urgency of sustainable development became more apparent with the notable advancements in sustainability standards, highlighted by the release of the first global Sustainability Disclosure Standards by the International Sustainability Standards Board (ISSB) in June 2023. The issuance of IFRS S1 and IFRS S2 marked a substantial leap in global sustainability-related disclosures, aiming to bolster trust in company reports regarding sustainability and providing a universal language for conveying the impact of climate-related risks and opportunities on a company's prospects

The world grapples with critical challenges encompassing environmental, social, and economic dimensions, such as poverty, hunger, health issues, education gaps, global climate change, gender inequality, water scarcity, biodiversity loss, and social injustice

OUTLOOK

ESG risks are now one of the largest threats facing businesses and they could have a significant impact on businesses long-term performance and profitability, including their ability to raise new capital/funding

HOW THIS AFFECTS OUR STRATEGY/RESPONSE

- Constantly affirming that as Difference Makers, chartered accountants have a lead role to play in addressing these critical problems. The principal purpose of the Institute is to promote the common interests of members and associates and the public interest by enhancing their relevance, values, competence and influence both in South Africa and abroad and to contribute to economic and social development in South Africa
- Playing a vital role by engaging SAICA's members on the draft Sustainability Disclosure Standards. Members received insights from local stakeholders within the corporate reporting ecosystem, contributing to the collective understanding of these new standards. SAICA's active involvement further demonstrates the collaborative efforts within South Africa to navigate and respond to the evolving landscape of sustainability reporting
- Aligned with SAICA 2024–2028 strategy, a focused commitment to ESG and sustainability is underway. This strategic emphasis is part of the revised Economic and Social Relevance pillar, actively contributing to sustainability initiatives in line with the national agenda. A primary objective is to offer SAICA members a platform for active participation in SDGs and ESG endeavours
- Established a consolidated sustainability programme to combine all sustainability-related initiatives. This assists with the quantification of the environmental impact, ensures effective engagement with members around sustainability, and provides appropriate learning and development opportunities to members, associates, learners, students and trainees. Representatives engage with stakeholders to influence standard-setting development and advocate for effective sustainability practices and reporting, as well as develop success measurement criteria for current initiatives and measuring progress
- Established a sustainability technical committee to support SAICA in addressing the current and emerging sustainability aspects as these relate to members and the Institute, and to advocate on behalf of members for the new direction of corporate reporting globally and in South Africa. Additional advocacy work has begun and will continue to take place in this new aspect of corporate reporting and compliance for members
- Participating in and supporting FinBiz2030 – a collaboration between One Young World Chartered Accountants worldwide and SAICA – and the concept of sustainability: South Africa collaborates with a number of organisations to promote the UN SDGs. These include Sustainable SA and FinBiz2030

MATERIAL THEMES / MATTERS AFFECTED



STRATEGIC INITIATIVES AFFECTED



TOP RISKS AFFECTED



refer to top risks on page 46

CAPITALS AFFECTED



RESHAPING EDUCATION IN THE INDUSTRY

DRIVING GROWTH AND EFFICIENCY

Jodilee Manuel CA(SA), Head of Education at Syft Analytics, is a dynamic force in the accounting world. With a background in both Big Four audit firms and fintech startups, she's reshaping the industry through innovative education and implementation strategies. Through Syft Campus, Jodilee pioneers online learning, empowering accountants worldwide to make data-driven decisions and bridge the gap between academia and industry. With over 30 courses and 12 certifications, she's revolutionising CPD for accountants, while her leadership in implementing Syft's solutions propels businesses towards growth and efficiency. Jodilee Manuel is a worthy recipient of the Game Changer Award at SAICA's 2023 Top 35-under-35 Awards.

Meet Jodilee Manuel CA(SA)
Head of Education
and Implementation: Syft
Difference Maker



CHAIRPERSON'S REVIEW

'Today, we celebrate the fact that SAICA, and its CA(SA) designation, has been recognised as the number one accounting body globally. In the realm of Chartered Accountancy, the CA(SA) designation proudly stands at the pinnacle of trust and ethical excellence, reclaiming its esteemed position as the world's most trusted profession. This accomplishment is the culmination of a five-year journey dedicated to trust reconstruction and reputation management.'

REFLECTING ON TRANSFORMATION AND LEADERSHIP AT SAICA

Reflecting on my tenure as a Board member and Chairman of SAICA, now in its third year, we have journeyed together through significant milestones. Stepping in during the implementation of the previous strategy in May 2021, and seeing it through to its conclusion in December 2023, has been invaluable.

Our collective efforts have borne fruit, evident not just in the past year but over the last three. Central to our mission has been advancing inclusivity and diversity, showcased by the increasing number of black African CA candidates. This emphasises our commitment to equitable opportunities in accountancy. The establishment of the Sustainability Technical Committee and the revitalisation of Ushintsho demonstrate our dedication to sustainable practices and digital advancement.

Looking forward, our new strategy reflects our commitment to innovation and sustainable growth. In the spirit of continuity and seamless transition, it's essential to ensure that the foundations we have laid remain steadfast. The comprehensive governance review serves as a foundation, ensuring that our organisational structures remain robust and adaptable to future challenges. As my term nears its end in May at the AGM, I will be grateful for the opportunity to continue serving SAICA as we begin the execution of the revised strategy.

As I reflect on the past year, it has been a period characterised by significant change and transformation. First and foremost, we celebrate a remarkable milestone in the history of SAICA under the exceptional leadership of Freeman Nomvalo, whose tenure has



Mr Vincent Mohau Motholo
SAICA Board Chairperson

concluded. His stewardship as CEO marks a chapter of unprecedented transformation, culminating in SAICA and the CA(SA) brand reclaiming their status as the world's foremost trusted accountancy designation and institute.

When Freeman assumed leadership in 2019, the accountancy profession was confronted with formidable challenges, amidst scandals and a decline in public trust. However, with steadfast determination, he embarked on a transformative journey, prioritising the restoration of trust and integrity in the CA(SA) brand. His strategic vision and unwavering efforts have played a pivotal role in elevating SAICA to the pinnacle of global recognition within the accountancy field. The Board extends its heartfelt appreciation to Freeman's commitment in serving the profession and his significant contributions.

As we bid farewell to Freeman, we extend a warm welcome to our new CEO, Patricia Stock. SAICA has successfully ensured a seamless transition, with the recruitment process yielding positive results.

Patricia has been warmly embraced by our members, associates and the wider public. Her appointment marks another significant milestone in SAICA's history, as she becomes the first female CEO, a moment deserving of celebration. This appointment was not fortuitous but a deliberate decision by the Board, as part of our succession planning, recognising the importance of gender diversity in leadership.

STRATEGIC DIRECTION

SAICA has embarked on a comprehensive review of its strategic direction, aimed at charting a course for the next five years. This refreshed strategy will be subject to regular review, ensuring its relevance and adaptability to evolving circumstances. Importantly, the development of the refreshed SAICA strategy for the period 2024–2028 is intentionally aligned with the tenure of the CEO.

One of the key enhancements in our revised strategy is the introduction of a clear vision and mission for SAICA. We have transitioned from merely articulating strategic intent to defining a compelling vision and mission, positioning SAICA as a globally recognised body dedicated to serving the interests of our members and the wider public. This marks an exciting milestone for SAICA, signalling our commitment to purpose-driven leadership.

The formulation of our vision and mission was the result of collaborative efforts involving SAICA's management team (MANCO), the Board and National Council, who represent members' and associates' interests, and various stakeholders. Following the appointment of Patricia Stock as the new CEO during the development phase of the strategy, she was given the opportunity to provide input into the draft strategy. Further strategic planning sessions and follow-up engagements were conducted by the CEO engaging a diverse range of external and internal stakeholders. This inclusive approach ensured that external and internal factors impacting SAICA's operations were thoroughly considered to ensure successful execution.

The revised strategy integrates insights from the economic blueprint to guide our approach and enhance our profession's positive impact on the South African economy. A follow-up conference in 2024 will focus on implementing our strategic initiatives.

THE YEAR IN REVIEW

Tax practitioner committee
The appointment of an ad hoc Tax Practitioner Committee following management's recommendation marked a significant step towards addressing tax-

Today, we celebrate the fact that SAICA, and its CA(SA) designation, has been recognised as the number one accounting body globally. In the realm of Chartered Accountancy, the CA(SA) designation proudly stands at the pinnacle of trust and ethical excellence, reclaiming its esteemed position as the world's most trusted profession.

related matters affecting tax practitioners. This committee was instrumental in successfully concluding its work, leading to the amendment of our by-laws. As the Board, we express our gratitude for the diligent efforts that have enabled us to better serve our members amidst the challenges we face.

Empowering Thuthuka
In last year's report, I discussed the decision by NSFAS to not fund postgraduate studies at the CTA level, as NSFAS primarily focuses on undergraduate studies. Consequently, I am deeply appreciative and proud of the tireless efforts of numerous chartered accountants who have taken proactive measures to raise funds globally. Their initiatives, ranging from participating in marathons to various other activities, have played a crucial role in sustaining the Thuthuka programme.

To address this funding challenge, SAICA has undertaken fundraising campaigns and revitalised the Thuthuka Alumni community. Our goal is to develop sustainable strategies through collaboration between the Thuthuka Board and SAICA management, ensuring that fundraising actions leave a lasting legacy. We are exploring various avenues to achieve this objective.

I am delighted to announce that Standard Bank's support will address the gap known as the 'missing middle', particularly focusing on previously disadvantaged universities. I extend my heartfelt gratitude to Thembeke Maseko, Standard Bank

CHAIRPERSON'S REVIEW continued

Executive Head Finance and Value Management, for spearheading this partnership and for Standard Bank's invaluable contribution to this initiative.

Ushintsho

This programme has progressed well in comparison to previous years with the launch of a new website, enabling gathering of data of members. The creation of a member portal being one of the fruits of Ushintsho. Learning modules have also been rolled out internally in a phased format and we are happy with the progress.

Pass rates for APC

We continue to be concerned about the disparities in pass rates among APC students, particularly the existing demographic gap between black and white candidates. At SAICA, we are steadfast in our commitment to tackling this issue collaboratively with industry stakeholders and partners. Together, we are actively seeking ways to address the root causes of this discrepancy.

We are heartened by the support from organisations that have stepped forward to assist us in this endeavour, recognising the importance of addressing low pass rates to ensure equity and inclusivity within the profession.

Elevating public sector engagement

In recognition of the vital role played by the public sector, we have designated the National Public Sector Committee as the prescribed committee, necessitating an amendment to the SAICA constitution. This underscores our commitment to actively support and elevate the public sector, ensuring that it receives the attention it deserves and can attract the necessary talent.

Governance structure review

The Board undertook a comprehensive governance review in response to the recommendations stemming from the previous year's AGM. The subsequent implementation of the outcomes from the review will be a joint effort between the Board and management, with the Board providing oversight to ensure thorough and effective execution. This review aims to enhance service delivery, streamline processes for efficiency, and uphold the highest standards of governance within the institute.

Disciplinary turnaround time

SAICA continues to handle a significant volume of

disciplinary cases, and we are actively exploring measures to reduce the turnaround time for investigations. As a professional body, we face constraints distinct from those of law enforcement or regulatory agencies; we cannot subpoena information for investigations and must rely on publicly available data.

Recognising the importance of addressing this challenge, we acknowledge that this area requires additional focus and will be a key consideration in our ongoing organisational redesign. Our aim is to strengthen and streamline service delivery for more efficient processes.

I want to reassure our members that the Disciplinary Committee is chaired by independent parties who are highly competent, ensuring a fair and objective evaluation of cases.

Recognition and awards

SAICA is dedicated to upholding its tradition of recognising excellence through initiatives such as the Chairman's Difference Makers, Top 35-under-35 and Trainee Trailblazers awards. To further enhance these accolades, we are exploring the possibility of consolidating them into a weekend event coordinated by the Head of Brand and Marketing. This initiative aims to elevate our recognition efforts and celebrate the outstanding achievements of our members on a grand scale.

I continue to be impressed by the exceptional individuals who are recipients of these awards and the significant impact they have made in their respective fields. It is through the diligent efforts of our members and the invaluable contributions of our associates that SAICA continues to be acknowledged as the premier accountancy brand worldwide.

LOOKING AHEAD

The Board's primary focus for 2024 includes finalising our strategic initiatives and prioritising their implementation, with particular emphasis on developing a balanced scorecard to assess and monitor progress effectively while supporting our new CEO as she settles into her role.

We are dedicated to completing the Ushintsho project to enhance service delivery.

Efficient management of the disciplinary process remains a top priority, alongside addressing the issue of low pass rates among APC students.

We are also committed to implementing recommendations emanating from our recent governance review.

Looking ahead, our long-term objectives centre on ensuring the sustainability of SAICA, both financially and professionally.

APPRECIATION

Thank you to the SAICA Board for their dedication, rigorous discussions, and commitment to challenging the status quo for our profession's betterment. Appreciation is also extended to Council, committee members, the leadership team, staff, and partner organisations for their hard work, support, and engagement.

Our members' outstanding contributions demonstrate the profession's leadership and influence. Sincere thanks to SAICA members serving on committees, promoting integrity and resilience. Let's continue making a positive impact for our profession's sustainability.

Mr Vincent Mohau Motholo

SAICA Board Chairperson



FOREWORD BY THE PRESIDENT OF THE SAICA NATIONAL COUNCIL

It is with great honour and privilege that I present the inaugural report of the SAICA National Council for the year 2023. The primary purpose of the Council is to serve our members and act as their collective voice within the Institute. As such, it is imperative that the structures within SAICA, including the Council, Board, and management, are optimised to effectively address the diverse needs of our members. Each region within our membership base presents unique challenges and requirements, highlighting the necessity for a tailored approach rather than a one-size-fits-all solution.

Furthermore, the Council recognises the importance of fostering a harmonious relationship between these key entities to ensure alignment and coherence in our strategic direction and operational execution. This collaborative effort is essential in upholding the best interests of our members and enhancing the overall value proposition of SAICA. As we embark on this journey, it is my sincere hope that this report serves as a testament to our commitment to transparency, accountability, and continuous improvement.

Brief background

The establishment of the National Council, in accordance with the new constitution ratified by SAICA members during the Annual General Meeting of 26 June 2019 represents a significant milestone. Comprising of not more than forty individuals, the Council is structured in alignment with the Council Charter, drawing representation from various regional and constituency bodies to reflect the diverse spectrum



Jacobus Swanepoel
President of the National Council

SAICA members, including regional and international professionals, firms, Members in Business, associates, and other interest groups. To this end, the 2023 SAICA National Council was composed as indicated below:

HIGHLIGHTS

The year 2023 commenced with an introspective process within the National Council, aimed at evaluating its effectiveness since its inception in 2019. After three years of existence, the Council recognised the need to reassess its functions and mandate. This process led to the identification of critical areas hindering the Council’s effectiveness within the governance framework, including trust issues among certain members, operational deficiencies within constituencies, perceived disconnection between the Head Office and members, and bureaucratic challenges. Through candid engagements and strategic interventions, significant progress was achieved.

Notable milestones

- These include:
- The draft 2024–2028 long term Strategy and Blueprint of the Institute has been substantially influenced by the insightful and invaluable contributions of all Council members and their respective constituencies, to whom I am greatly appreciative.
 - The second phase of the Governance Review project has been commissioned and findings are expected in Quarter 1 of 2024.
 - Key amendments to the SAICA constitution including the Disciplinary Code, as well as to some aspects of the Council Charter are anticipated to be considered at the 2024 AGM for approval.

The National Council played a pivotal role in selecting individuals to serve on the SAICA Board. Its active and vigorous participation ensured that critical observations were made about the calibre of proposed candidates. The depth of knowledge and collective expertise of Council members, deeply etched in their understanding of professional issues, is a valuable resource for the organisation’s growth.

It truly has been my singular honour and privilege to have served alongside these remarkable men and women as the President of this august body. To them I raise my salute, my appreciation and immense respect. Their passion and love for this Institute is unmatched and they give of their time and resources to SAICA at no cost but to see this brand continuing to flourish and maintain its respectability and impeccable global footprint.

Jacobus Swanepoel
President of the National Council

HL President of Council - Jacobus Swanepoel



Meet Victor Sekese CA(SA)
CEO: SNG Grant Thornton
Difference Maker

A LEGACY OF EXCELLENCE AT THE HELM OF

DRIVING TRANSFORMATION

With 34 years of commitment to the accountancy profession and an unwavering dedication to overcoming challenges and shaping legacy of excellence and transforming society, Victor Sekese CA(SA), CEO at SNG Grant Thornton, is the winner of the prestigious SAICA Difference Maker CEO's Award. Notably, his involvement in the formation of Sizwe Ntsaluba Gobodo in 2011 redefined the accounting landscape, empowering aspiring black accountants and enhancing economic potential. Victor's leadership extends beyond business, as he mentors future leaders and champions societal change. His humility and collaborative spirit inspire collective action, emphasising the importance of lifting others as we climb.

CHIEF EXECUTIVE OFFICER’S REVIEW

‘The time to make a difference into the future is now.’

REFLECTIONS AND APPRECIATION

As I embark on this journey as the new CEO of SAICA, I am filled with a profound sense of gratitude and reflection. The past months have been a whirlwind of learning, listening, and introspection as I immerse myself in the remarkable organisation that is SAICA and its extraordinary people.

It is with humility that I step into the shoes of my predecessor, Freeman Nomvalo, whose exemplary leadership has left an indelible mark on SAICA and the profession. Freeman’s unwavering commitment to excellence, resilience, and dedication to serving the profession has set a standard of leadership that I recognise. Over the last five years, his visionary guidance has propelled SAICA to the forefront of global recognition in the accountancy field, rebuilding trust and restoring the integrity of the CA(SA) brand. Tributes to Freeman in SAICA’s *Accountancy SA* magazine bear testimony to this.

Yet, as I acknowledge the accomplishments of the past, I am also acutely aware of the challenges that lie ahead. Leadership, I have come to realise, is not merely about stepping into familiar shoes; it is about forging a new path, leaving behind our own footprints. There will undoubtedly be moments when the journey feels daunting, but it is in these moments that true leadership is revealed.

I am immensely grateful for the support I have received from the dedicated team across the organisation, as well as from Council and the Board. It is a privilege to lead SAICA into the future, and I am keenly aware of the responsibility that comes with this role. As the first female CEO of SAICA, I recognise the importance of paving the way for future generations of women leaders. It is incumbent upon me to invest in women empowerment and ensure that the path I forge is one that others can follow.



Patricia Stock
SAICA Chief Executive Officer

STRATEGY 2024–2028

SAICA employed an inclusive strategy formulation process incorporating insights from diverse stakeholders to shape our strategy. Looking ahead, we’ll adapt our 2024–2028 strategy to address emerging post-COVID trends and challenges.

As advocates for change, SAICA and its members are vital in South Africa’s recovery from economic challenges. Clear intervention points have been identified, positioning us to drive economic development and make a tangible impact on society.

To ensure organisational sustainability and growth, SAICA is enhancing its strategic thrusts, bridging the member expectation gap, and optimising resources. These refined pillars will support our vision effectively.

In pursuit of excellence and relevance, SAICA’s strategic direction for FY 2024 to FY 2028 is guided by four interconnected pillars:

OUR BUSINESS

ACCELERATED MEMBER VALUE

Our strategy centres on providing exceptional value to our members, adapting to their evolving needs. We aim to offer tangible benefits that support career advancement, including continuous professional development opportunities, access to cutting-edge research, and networking platforms. By investing in digital platforms, we will ensure seamless access to resources, enabling our members to engage with us and each other, anytime and anywhere.

ATTRACTIVENESS AND TRANSFORMATION OF THE PROFESSION

To secure the future of the profession, we will promote its attractiveness to aspiring accountants and strive to retain existing members. This involves partnerships with educational institutions, targeted marketing campaigns, and a transformation plan addressing challenges like the low APC pass rate.

Our strategy includes showcasing the diverse career paths within accountancy and emphasising the significant role accountants play in business and society. Additionally, the implementation of the transformation plan will follow a ‘cradle to career’ approach, investing in making a difference in both basic and higher education spheres to ensure a robust pipeline of future professionals. Our aim is to inspire a new generation to join and ensure that all aspiring chartered accountants, regardless of background, have the opportunity to thrive.

ECONOMIC AND SOCIAL RELEVANCE

The accountancy profession must remain at the forefront of addressing pressing economic and social issues, from climate change to financial transparency. Our strategy involves advocating for the profession’s role in these areas, engaging in public discourse, and influencing policy development. By equipping our members with the skills and knowledge to tackle these challenges, we not only enhance their value to employers and clients but also reinforce the profession’s relevance in today’s world as an ethical profession.

Recent media coverage of our disciplinary processes has been less than favourable, which is concerning. However, what resonates with us is our unwavering commitment to our independent disciplinary process and ongoing efforts to streamline our processes. Our disciplinary process is, and will remain, the cornerstone of upholding the integrity of our profession.

WINNING ORGANISATION

To achieve our objectives, we commit to being forward-thinking, agile, and resilient. This includes investing in our people, processes, and technology, fostering a culture of continuous improvement, innovation and collaboration. We will review and adapt our organisational structure and operational models to ensure they are fit for the opportunities and challenges ahead. By being a winning organisation, we set the standard for the profession and provide a solid foundation for achieving our strategic objectives.

In summary, our strategy is designed to navigate the current landscape while laying a strong foundation for the future. By focusing on delivering accelerated member value, enhancing the profession’s attractiveness, ensuring economic and social relevance, and building a winning organisation, we secure the ongoing vitality and impact of the accountancy profession. This vision requires collective effort, and I am committed to leading SAICA towards these ambitious but achievable goals. We will continue to follow a stakeholder-inclusive process to socialise the strategy with our various stakeholders. The strategy team, together with the Brand and Marketing division will be driving an exciting plan to bring the strategy to life in a manner that resonates with all our Difference Makers.

An organisational review and restructuring of the Executive Committee (Exco) are underway to optimise our human capital for effective strategy execution. In addition, the performance scorecard has been aligned with our strategy, incorporating clear measures for key organisational drivers at the organisational level.

PERFORMANCE (2023)

In 2023, SAICA remained committed in delivering value for its members and society by advancing strategic initiatives while ensuring financial sustainability. Although good progress has been made in many areas and there are certainly successes to celebrate, we acknowledge that there were some challenges to address in going forward to better serve our member needs.

A key highlight has no doubt been the recognition of the CA(SA) designation retaining the number one position in the world.

Good progress has been made with the delivery of Ushintsho Stage 2, albeit with post-implementation challenges and member frustrations that we acknowledge, with enhancements to be made with the member portal. Read about our digitisation journey and strategy on page 100.

The inaugural Public Sector Summit was another highlight, providing a platform for facilitated discussions, knowledge sharing, and collaborations aimed at fostering transformation within the public sector. Strengthening the collaboration agreement between SAICA and the Chartered Institute of Government Finance Audit and Risk Officers (CIGFARO) further enhances the profession’s impact in the public sector.

A key focus for the year under review was enhancing SMME support and showcasing the expertise of Small and Medium Practices (SMPs) to SMMEs. Focused effort also took place within the Practices portfolio to engage directly with SMPs in order to understand their challenges and needs, which will be prioritised in FY 2024.

Another area that received attention was the disciplinary process and capacitation of the disciplinary unit. The Disciplinary Code was also amended to improve case load management. We acknowledge the challenges regarding the resolution of tax practitioner cases, with tax practitioners expressing dissatisfaction over the prolonged duration of disciplinary processes.

Although much has been done to strengthen mathematics education and providing support for APC and ITC candidates, as well as raising funding for these initiatives, the significant drop in APC pass rates remains a concern. We need to assist candidates from previously disadvantaged backgrounds so they have a better chance at passing.

We provide details about our successes and highlights on pages 11 to 14. Key challenges are outlined on page 15, progress in executing strategic initiatives on page 67, and SAICA’s balanced scorecard on page 106 provides externally assured ratings of how we performed against our goals for the year.

OUTLOOK

Our strategic outlook, based on our five-year plan, outlines a comprehensive strategy to strengthen our organisation’s standing and effectiveness. Anchored in key priority areas, we aim to address specific challenges and opportunities across operations, member engagement, and societal contributions.

- 1 **Operational efficiency** – We will review by-laws, improve disciplinary case conclusion rates, including those involving tax practitioners and public interest cases and enhance cost-effectiveness to boost responsiveness and accountability.
- 2 **Digital migration** – Completing the Ushintsho programme will transform our digital infrastructure, enabling agile service delivery.

- 3 **APC challenges** – Collaborating with stakeholders, we will refine the APC process to maintain robustness and fairness.
- 4 **Member support** – We will optimise support structures and introduce new initiatives for professional development, adapting our hybrid work model for better member accessibility.
- 5 **Differentiated engagement** – We will prioritise personalised engagement for international members, SMPs, public sector and business sector members, ensuring their unique needs are met with precision and empathy.
- 6 **Sustainability skills** – We are fast-tracking sustainability-focused development to embed these principles into our operations and member value offerings, fostering a forward-thinking and impactful approach. Through investment in advocacy and member development, we aim to enhance the economic relevance of our members in sustainability advisory and assurance roles.
- 7 **Audit reforms** – Establishing the Centre for Audit Quality reinforces audit integrity, aligning with broader reforms aiming to elevate trust and confidence in the auditing profession.
- 8 **Advocacy** – Strengthening SAICA members’ advocacy role to better represent and support the profession’s interests across different levels. This entails articulating key issues and engaging proactively with stakeholders.
- 9 **Stakeholder engagement** – Strengthening stakeholder relationships will ensure alignment with member and community priorities, crucial for mutual progress and the realisation of shared goals.
- 10 **Membership growth** – Focused strategy to expand membership, especially for AGAs and Accounting Technicians in Africa. This emphasises our commitment to enhancing diversity and dynamism within the professional community.
- 11 **Transformation initiatives** – The strategic plan adopts a holistic ‘cradle to career’ transformation approach fostering inclusivity, diversity, and excellence throughout all stages of professional development and engagement.

In summary, our strategy balances immediate and long-term goals for sustainable growth, relevance, and impact in the professional domain.

Patricia Stock
SAICA Chief Executive Officer

OUR EXECUTIVE COMMITTEE



Freeman Nomvalo

Chief Executive Officer and Executive Director until 31 January 2024

BCOMPT HONS

Freeman is a non-executive director of various companies. He was the CEO of the State Information Technology Agency. With over 30 years' work experience, at least 20 of which were at a senior level in the public and private sectors, he was the first African and longest-serving Accountant-General of a democratic South Africa. During this time, he served on multiple public sector boards. He led the team that drafted and presented the Audit Profession Act 2005 and worked with 18 Caribbean countries at the request of the Commonwealth Secretariat to develop their country governance frameworks. He developed and led the leadership development programme at National Treasury that benefited all of its senior managers.

Freeman assisted Judge Christopher R Nicholson in the committee on the ministerial probe into the financial affairs of Cricket South Africa. He served on the Ntsebeza Inquiry into certain SAICA members employed by KPMG South Africa during various engagements with public and/or private entities. He was appointed CEO in February 2019. Freeman's five-year term of office concluded as of 31 January 2024. He is succeeded by Ms Patricia Stock.

Patricia Stock

Chief Executive Officer and Executive Director from 1 December 2023

CA(SA) CD(SA) Masters: International Accounting, CESGA®

Patricia Stock, a CA(SA), is a strategic entrepreneurial accountant with a passion for transforming people and organisations. As the co-founder and former CEO of MGI RAS, a distinguished member firm of MGI Worldwide, Patricia boasts diverse experience in talent management, Certified ESG Analyst (CESGA®) with a specialisation in governance, audit, IFRS (with a Master's in International Accounting), and quality assurance.

As a CA(SA) and Chartered Director (South Africa), Patricia has left an indelible mark in various senior executive and non-executive directorship roles. Her journey spans both private and public sectors advisory, skills development and assurance, including auditing United Nations' organisations during her tenure at the Auditor-General of South Africa. Notably, she served as the Head of Transformation (DEI) in a global firm, showcasing her commitment to fostering positive change.

Patricia's expertise extends to performance and leadership coaching, aligning with her fervour for responsible growth in organisations and individuals. With a life motto of 'Grow as I grow', Patricia Stock is not just a CEO; she's a visionary leader dedicated to realising the potential of others in a sustainable manner.



Fanisa Lamola

Chief Operating Officer

CA(SA)(CD(SA)

As a CA(SA), Fanisa's professional career started in 1995 at Anglo American, after which she joined JP Morgan Securities as a management accountant. She progressed to join KPMG, Polokwane Office, in the position of manager municipal finance. She later joined the Limpopo Provincial Treasury, where she worked as the provincial accountant-general. Prior to joining SAICA in May 2012, Fanisa was the city manager for the City of Polokwane.

She has served on a number of various governance oversight structures, including being a board member and technical advisor on the Board of International Federation of Accountants (IFAC), the chairperson of the Limpopo University Advisory Council for the School of Accounting, council member of the University of Walter Sisulu Council and chairperson for the Central Audit Committee of Limpopo. Fanisa currently serves as a board member on the Chartered Accountants Medical Aid Fund (CAMAf).

Jaco Snyman

Executive Director: Legal and Governance

BA (LAW), LLB, MBA AND LLM (Corporate Law)

Jaco has over 25 years of experience as a leading legal and governance specialist. Holding both BA (Law) and LLB degrees, along with an MBA and LLM, his academic foundation is bolstered by extensive practical expertise. Before joining PPC, Jaco held prominent positions at Absa Bank. His success extends to implementing governance systems for subsidiaries across Africa, demonstrating his ability to translate strategy into actionable solutions. As a Group Executive at PPC, Jaco leverages his in-depth knowledge of corporate and commercial law, corporate governance, and risk management to navigate complex legal landscapes and ensure compliance at the highest levels. Jaco joined SAICA in 2019.



Robert Zwane

Executive Director: Learning, Development and National Imperatives

CA(SA)

Robert, a CA(SA), was previously the Director for the Education and Transformation Department at the Independent Regulatory Board for Auditors (IRBA), where he was instrumental in a number of initiatives, including leading the implementation of the Audit Development Programme (ADP). He spent some time at the University of Johannesburg (UJ) in various positions, including being an academic trainee, a senior lecturer and a house warden at one of UJ's residences. He completed his training programme with one of the Big Four firms.

On a global scale, Robert sat on the International Federation of Accountants' (IFAC) International Accounting Education Standards Board (IAESB) as a technical advisor to the South Africa representative. He was also a member of the Education Committee of the Public Accountants and Auditors Board (PAAB) of Zimbabwe.



Milton Segal

Executive Director: Standards

CA(SA)

Milton, a CA(SA), leads the Standards portfolio, which is the technical member-facing division within SAICA responsible for thought leadership, advocacy, guidance and standard setting in the following areas: Audit and Assurance; Corporate Reporting (IFRS, IFRS for SMEs, Non-financial Reporting and Sustainability); Public Sector and Standards Ethics, and Taxation. Within the directorate are five of the six prescribed committees of SAICA. Milton represents SAICA (and South Africa) on various key structures.

Prior to joining SAICA, Milton was the Head of Financial Accounting at the Wits University School of Accountancy. He has set and reviewed numerous examinations for Wits and was part of the SAICA examination marking team as well as the SAICA university accreditation team. He is a published researcher in local and international journals and has presented papers at local and international conferences. Milton has extensive experience in IFRS and is proud to represent the profession and interests of members in this regard.



BUSINESS MODEL

AND VALUE CREATION ALIGNED TO THE SIX CAPITALS

INPUTS

What we have achieved through our value adding activities

| INTELLECTUAL CAPITAL |
|---|
| SAICA's strong reputation and its designations – CA(SA), AGA(SA), AT(SA) |
| Digital transformation to improve member experience and drive business process efficiency |
| SAICA's entry-level Competency Framework CA of the Future and post-qualification Competency Framework (CA Pathways to Relevance) will enable a membership body who has developed a shared set of professional competences |
| Thought leadership initiatives, technical development and the skills and experience of staff and members on our technical committees |
| Initiatives to maintain the highest ethical standards of the CA profession |
| Integrated relevance, reputation, marketing and communication plan |

| FINANCIAL CAPITAL |
|---|
| R504,9 million (FY22: R472,3 million) in membership subscriptions, examination and training-related fees, and revenue from services and products offered to members |
| R13,4 million (FY22: R9 million) in sponsorship revenue |
| R270 million in donor funding raised (FY22: R290 million) |

| SOCIAL AND RELATIONSHIP CAPITAL |
|---|
| Member participation through the various SAICA structures |
| Developmental programmes driving educational and skills development initiatives and transformation in the profession |
| Recognition agreements with 15 (FY22: 15) professional bodies |
| The good relationships SAICA have built with stakeholders |
| SAICA members assist government with key projects and apply intellectual capital to a wide range of areas in the profession |

| HUMAN CAPITAL |
|--|
| The diverse capabilities of SAICA's 246 (FY22: 228) staff members |
| SAICA's values, ethics and culture |
| Total R258,8 million in employment costs (FY22: R226,3 million) |
| SAICA values were revised to create a culture of ownership |
| A talent management framework for effective succession planning |
| Employee wellness framework and value creation aligned to the six capitals |



| MANUFACTURED CAPITAL |
|--|
| SAICA's education and training programmes are delivered through the infrastructure of universities, private providers and training offices |
| SAICA rents premises in Johannesburg (Head Office), Durban, Cape Town and Bloemfontein, from which all operations are conducted |
| SAICA's IT infrastructure and office equipment |

| NATURAL CAPITAL |
|---|
| Access to basic natural resources to support operations, such as electricity supply and water |
| Water conservation and waste management |
| Energy efficiency and management |

OUTPUTS Our value-adding business activities

We create, preserve and defend value by using our resources responsibly to generate value maximising outputs and outcomes for our members and all stakeholders

| | | |
|---|---|---|
| Safeguarding the professional standards of the designations on offer | Seminars and events | Post-qualification specialisation offerings |
| Advancing and maintaining the relevance of the profession | Member support | CA of the Future Framework and CA Pathways to Relevance |
| Regulating members' and associates' professional conduct through the SAICA Code of Professional Conduct | Support for learners, students and trainees | Integrated Ethics Framework |
| Thuthuka bursaries for undergraduates, PGDA and beneficiaries | ITC and APC assessments conducted | SDG report |
| | SAICA accreditation for accounting programmes | Formal advocacy submissions |
| | CPD offerings | Top 35-under-35 and Trainee Trailblazer competitions |

CAPITAL OUTCOMES What we have achieved through our value-adding activities



Value creation



Value preservation



Value erosion

INTELLECTUAL CAPITAL

| | |
|---|---|
| SAICA and its CA(SA) designation rated as the number 1 trusted in the world (Edelman Dxl Research, 2023) | ↑ |
| Attractiveness of the profession to new entrants CA(SA) 89,50% (FY22: 86,16%) | ↑ |
| Brand strength – relevance and reputation score 74% (FY22: 70%) | ↑ |
| 1 314 positive media exposures were achieved (FY22: 1 829) and negative sentiment declined to 4,8% (FY22: 5,3%) | ↓ |
| Enterprise risk management maturity Level 4 (FY22: Level 3) | ↑ |
| International recognition enabling member global mobility | ↔ |
| Trust index 84% (FY22: 83%) | ↑ |
| Member Value Index 78,00% (FY22: 75,36%) | ↑ |
| Relevance and Reputation Index 82,39% (FY22: 77,96%) | ↑ |

FINANCIAL CAPITAL

| | |
|---|---|
| Group reserves increased to R451 million (FY22: R432 million) | ↑ |
| Institute reserves (excluding ring-fenced) decreased to R210 million (FY22: R228 million) | ↓ |
| Group surplus R19 million (FY22: R44 million surplus) allocated to reserves | ↓ |

SOCIAL AND RELATIONSHIP CAPITAL

| | |
|--|---|
| 72,15% stakeholder engagement score (FY22: 67,40%) | ↑ |
| Overall PHI for Brand Admiration (composite among all stakeholders) 82,67% (FY22: 79,89%) | ↑ |
| 3,79% net growth of CAs: 52 656 (FY22: 50 731) | ↑ |
| 549 new AGAs(SA) (FY22: 711) | ↓ |
| 57 new ATs(SA) (FY22: 78) | ↓ |
| 2 749 (81%) ITC qualifying examination candidates passed in 2023 | ↑ |
| 244 (FY22: 234) Thuthuka students passed their PGDA | ↑ |
| 200 (FY22: 230) Thuthuka PGDA students were allocated to Thuthuka donor training offices for CA training contracts | ↓ |
| B-BBEE Level 2 (FY22: Level 4) | ↑ |
| 47 958 delegates, 127 events (FY22: 42 420/149) | ↑ |

HUMAN CAPITAL

| | |
|--|---|
| R3,7 million invested in skills development (FY22: R2,6 million) | ↑ |
| Study assistance R1 765 911,36 (FY22: R1 169 587) | ↑ |
| 85% of employees deemed historically disadvantaged South Africans (HDSA) (FY22: 84%) | ↑ |
| 67,89% off staff are female, inclusive of white females (FY22: 68%) | ↑ |
| Employee turnover 4,9% (FY22: 10,53%) | ↑ |
| Employee engagement score 84% (FY22: 78%) | ↑ |

MANUFACTURED CAPITAL

| | |
|--|---|
| System uptime 98,74% (FY22: 99%) | ↑ |
| New accounts query management feature for members | ↑ |
| Enhanced digitised user journey for member applications | ↑ |
| Streamlined online processes for exam candidates | ↑ |
| Real time monitoring of systems to detect and prevent intrusions through Managed Security Operations Centre (MSOC) | ↔ |

NATURAL CAPITAL*

| | |
|---|---|
| Hosting the inaugural Climate Change Conference | ↑ |
| Environmental management policy approved | ↑ |
| Hosting the South African launch of the ISSB IFRS Sustainability Disclosure Standards | ↑ |
| Carbon emissions 2253,5 tonnes CO2e (FY22: 630,41 tonnes CO2e) | ↓ |
| Purchased electricity 753 706,60 kWh (FY22: 727 113,81 kWh) | ↓ |
| Water use 6 961,77 kl (FY22: 5 574,33 kl) | ↓ |
| Recycling of dry waste | ↑ |
| Green water harvesting | ↑ |
| Solar system project for Head Office commenced | ↑ |

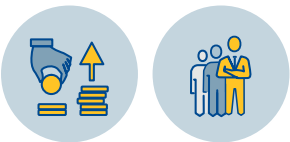
*The disclosure of natural capital, including disclosure of tonnage of CO2e, purchased electricity, and water consumption for FYE 2023, have not been externally assured

CAPITAL TRADE-OFFS

In the conduct of our activities, SAICA’s management and the Board must weigh up and accept the inevitable trade-offs between the six capitals, ensuring that over the long term these decisions contribute to value creation and preservation, thus ensuring the continued relevance and sustainability of the Institute.

Apart from creating and preserving value, there are instances where value is diminished through our activities. When making decisions on how to manage our business, we consider the trade-offs between capitals: we aim to maximise positive outputs and outcomes and limit negative impacts. Utilising our capital inputs in the most efficient manner informs our business model to optimise our capital outputs and outcomes for our stakeholders. At times tough decisions need to be made which are in conflict with some of the stakeholder needs in the short run. Making strategic trade-offs is necessary to ensure sustainability for the future.

Significant capital trade-offs during 2023 are illustrated below:



FINANCIAL CAPITAL, HUMAN CAPITAL

| KEY CONSIDERATIONS AND FOCUS IN 2023 | TRADE-OFFS | POSITIVE IMPACT | NEGATIVE IMPACT |
|---|---|--|--|
| Our people are our greatest asset and there has been an increase in spend as people are encouraged to develop themselves and our effort to improve our transformation scorecard. See skills development spend and study assistance in the business model on page 32 under human capital | Increasing investment in human capital can divert resources away from other investments that could have a more immediate and tangible impact on the Institute’s bottom line | Increase SAICA’S ability to innovate, attract and retain top talent Build a resilient and agile organisational culture Better capacitated people and improved B-BBEE scorecard from Level 4 to Level 2 in 2023 | The increased spend was not financed by a reprioritisation of spending but by improved revenue collections and interest income |
| EFFECT ON BUSINESS MODEL / STRATEGY | <ul style="list-style-type: none">Customised leadership interventions in response to the culture diagnostic exercise to enhance organisational cultureEnhancing performance culture by linking it to reward and recognitionIntegrated approach to maintain employee engagement, create an enabling environment for staff and improve talent retention efforts | | |
| IMPACT ON STAKEHOLDERS | Members – enhanced member centricity and Employees – engagement, enablement and experience | | |
| RISKS | <ul style="list-style-type: none">No guarantee of return on investmentPoor management of changeNot implementing the learnings on the job | | |



FINANCIAL CAPITAL, MANUFACTURED CAPITAL, HUMAN CAPITAL

| KEY CONSIDERATIONS AND FOCUS IN 2023 | TRADE-OFFS | POSITIVE IMPACT | NEGATIVE IMPACT |
|--|--|--|--|
| Revision of the Statement of Work (SOW) for Ushintsho digitisation Stage 3 | The decision to revise the SOW for Stage 3 by delivering the rest of the functionality initially planned for Stages 4 and 5 of the Ushintsho programme may lead to additional delivery time. | Enhance efficiency, alleviate pressure on human resources, and yield substantial long-term positive impacts, ultimately justifying the initial resource reallocation Improved capabilities to execute the IT strategy Increased efficiency for SAICA members | This adjustment incurs opportunity costs in the short term, as human capital resources were redirected to the SOW revision |
| EFFECT ON BUSINESS MODEL / STRATEGY | <ul style="list-style-type: none">Decommissioning of legacy systemsLeveraging technology to enhance member value and improve internal efficiencies | | |
| IMPACT ON STAKEHOLDERS | Members, employees | | |
| RISKS | Poor management of change | | |

MATERIALITY DETERMINATION PROCESS AND MATERIAL MATTERS

SAICA’s material matters are those that have the most significant impact on strategic delivery and the Institute’s ability to create value over the short, medium and long term.*

**See page 4 for SAICA's approach to value creation.*

The material matters are identified, prioritised, evaluated and reported as follows:

| STEP 1: IDENTIFY | STEP 2: PRIORITISE | STEP 3: RESPOND | STEP 4: REPORT |
|--|---|---|--|
| We review SAICA’s external and internal operating environment, key risks and opportunities, issues identified as critical to stakeholders (especially members) and matters discussed by the Board and Board sub-committees | We rank the matters identified according to their impact on SAICA’s reputation and strategic delivery, the extent of control we have over the issue, and its effect on risk metrics in relation to the strategy | SAICA assesses the impact on our risk tolerance/appetite, actions required to manage the material matters and identified opportunities, as well as the impact on strategy | The outcomes of these reviews and evaluations are presented to the Board and Audit and Risk Committee and reported to members and other stakeholders |


LEGEND FOR MATERIAL MATTERS

| | | | | | |
|-----------|---|-----------|---|--------|---|
| Worsening | ↓ | Improving | ↑ | Stable | ↔ |
|-----------|---|-----------|---|--------|---|



| 1 | STATE OF THE ECONOMY AND THE OVERALL SOCIO-ECONOMIC IMPACT | RISKS, OPPORTUNITIES AND STRATEGIC RESPONSE | IMPACT |
|---|---|--|---|
| | <p>The challenging socio-economic context in South Africa has been exacerbated by high unemployment levels, disrupted energy supplies, water shortages, deteriorating infrastructure, the poor state of education, rising corruption, a lack of accountability, governance and productivity, service delivery protests, an increase in immigration, outcomes of the Zondo Commission and implications on the profession</p> <p>The Institute’s sustainability and ability to create value for its members and other stakeholders depend on our ability to remain relevant and responsive no matter the prevailing context</p> <p>Worsening socio-economic environment in South Africa</p> <p>↓</p> | <p>Risks</p> <ul style="list-style-type: none">• Impact on revenue from negatively affected members• Budget cuts/constraints leading to the inability to engage with members and host flagship events• Ongoing loadshedding leading to a rise in the cost and complexity of doing business• Lack of progress in prosecuting cases based on availability of essential evidence and unexpected growth in complaints exceeding resource availability• The future pipeline of the accountancy profession is detrimentally impacted by low student pass rates, deteriorating standards observed at distance academic providers, and historically disadvantaged institutions <p>Related opportunities</p> <ul style="list-style-type: none">• Strengthening relationship with government through support on key government priorities• Contribute positively to the broader fight against corruption• Advocating for policies that promote economic growth | <p>Capitals</p>    <p>Strategic pillars</p>   |
| STRATEGIC RESPONSE | | | |
| <ul style="list-style-type: none">• SAICA hosted an anti-corruption summit involving key stakeholders to participate in devising solutions to address issues raised by the Zondo Commission• Promoted the importance of the chartered accountancy profession and all of SAICA’s designations while promoting the importance of mathematics and investing in education• Board allocation of additional resources to growing number of cases and continuous improvement of disciplinary processes | | | |
| OUTLOOK FOR THE SHORT, MEDIUM AND LONG TERM | | | |
| <p>The Economic Blueprint has significantly influenced the new strategic pillar, Economic and Social Relevance, in the SAICA 2024–2028 strategy, serving as a guiding framework for difference-making in the profession and equipping our members, including associates, to make informed economic and business decisions</p> <div><div><p>Key strategic themes and focus include:</p><ul style="list-style-type: none">• Public sector engagement (government, ethics, transparency, and accountability)• Optimised disciplinary processes• ESG, sustainability, green balance sheet• Rebuilding the SA economy• The fight against corruption• Partnerships with government bodies, regulatory</div><div><ul style="list-style-type: none">bodies, and municipalities• Reputation, public perception and trust• Advice for financial survival in South Africa• Creating social impact through SAICA initiatives (contributing to the National Development Plan and SDGs)• Focused social impact plan• Advocacy and thought leadership</div></div> | | | |

| 2 | SUSTAINABILITY APPROACH | RISKS, OPPORTUNITIES AND STRATEGIC RESPONSE | IMPACT |
|---|--|---|---|
| | <p>The world faces a range of pressing environmental, social and economic development challenges such as poverty, hunger, poor health, inadequate education, gender inequality, lack of access to water, poor sanitation, climate change, loss of biodiversity, and social injustice. As Difference Makers, chartered accountants have a leading role to play in addressing these critical problems</p> <p>Heightened focus on sustainability by companies generally and SAICA's dedicated focus on ESG and sustainability</p>  | <p>Risks</p> <ul style="list-style-type: none">• Insufficient advocacy for effective sustainability practices• Lack of sustainability knowledge and expertise within the profession and potential loss of relevance• Insufficient support provided to members to enhance member professional competence on sustainability-related topics• Insufficient collaboration efforts with external stakeholders to enhance the sustainability ecosystem• Inability to measure progress and the difference made <p>Related opportunities</p> <ul style="list-style-type: none">• Embed ESG and sustainability as integral to business strategy• Engage key stakeholders to influence and shape future sustainability strategy• Collaborate with key stakeholders to shape the sustainability reporting landscape• Enhance SAICA's influence in the standard-setting process• Ensure effective engagement with members on sustainability• Provide appropriate learning and development opportunities to members, associates, learners, students and trainees | <p>Capitals</p>   <p>Strategic pillars</p>     |
| STRATEGIC RESPONSE | | | |
| | <ul style="list-style-type: none">• Formalised an environmental management policy and expanded oversight responsibilities of the SETCO in terms of environmental protection• The Sustainability Technical Committee made submissions to the International Sustainability Standards Board (ISSB) and Global Reporting Initiative and consulted members on its proposed work plan• SAICA conducted research to assess the state of readiness for companies and members to adopt the ISSB IFRS Sustainability Disclosure Standards• Hosted the South Africa launch of the ISSB's IFRS Sustainability Disclosure Standards• Hosted the inaugural SAICA Climate Change Conference• SAICA engaged with several stakeholders including regulatory bodies on the future of sustainability reporting | <ul style="list-style-type: none">• The Chairperson of the SAICA Board ESG Exchange's advisory committee and the Executive Director of Standards continued membership and participation in the ESG Exchange's technical committee. This will promote a greater sharing of content and advice to the benefit of SAICA members• SAICA calls for members to submit their contribution to SDGs on an annual basis and publishes a report to advocate for more member action around SDGs. Click on the link below to access the 6th SDG report: https://saicawebprstorage.blob.core.windows.net/uploads/resources/SAICA-SDG-2023-Final.pdf• SAICA ran its Trainee Trailblazer Awards, which have seen trainees being encouraged and awarded for the work they do relating to SDGs | |
| OUTLOOK FOR THE SHORT, MEDIUM AND LONG TERM | | | |
| | <p>In alignment with the SAICA strategy 2024–2028, a dedicated focus on ESG and sustainability is being formalised, encompassing defined short- and long-term targets with corresponding performance measures incorporated into balanced scorecards</p> <p>This strategic emphasis falls under the revised pillar of Economic and Social Relevance, aiming to contribute actively to sustainability initiatives aligned with the national agenda. A key objective is to provide a platform for SAICA members to actively contribute to Sustainable Development Goals (SDGs) and ESG endeavours</p> | <p>Furthermore, SAICA is actively involved in influencing the adoption and development of sustainability frameworks. The Institute aims to increase member participation and visibility in SDGs, emphasising its commitment to these global goals</p> <p>Building capacity among members and associates in the realm of sustainability is a strategic priority, and SAICA is developing an integrated sustainability plan to comprehensively address these objectives. Through these initiatives, SAICA is positioning itself as a driving force in advancing sustainability practices and contributing to broader societal goals</p> | |





| 3 | DIGITISATION STRATEGY AND CHALLENGES AFFECTING MEMBER EXPERIENCE | RISKS, OPPORTUNITIES AND STRATEGIC RESPONSE | IMPACT |
|--|---|--|---|
| | <p>Acceleration of the digitisation strategy to create efficiencies and maximise automation of processes</p> <p>A solid, resilient and stable IT platform is critical to execute the SAICA strategy and meet the changing needs of the new world of work</p> <p>The Ushintsho programme's digitisation strategy faced delays due to inadequate capabilities, resulting in a 12-month setback. However, the transition to a new service provider and architecture has improved efficiencies and delivery. The third phase of the programme is scheduled for completion by the end of the first quarter in 2025</p> <p><i>The Ushintsho programme is now on track and the benefits are being realised</i></p> | <p>Risks</p> <ul style="list-style-type: none"> Delays due to insufficient capacity/capabilities required to execute the digitisation strategy <p>Related opportunities</p> <ul style="list-style-type: none"> Create efficiencies to improve member experience Enhanced decision-making based on improved data Automated processes to improve internal efficiencies | <p>Capitals</p>   <p>Strategic pillars</p>    |
| <p>STRATEGIC RESPONSE</p> <ul style="list-style-type: none"> The Ushintsho programme's final phase (Stage 3) underwent a comprehensive rework consolidating the functionality initially planned for Stages 4 and 5 into a single, cost-effective delivery This was accomplished by expanding the scope of Stage 2 to incorporate the replacement of the legacy finance ERP (Great Plains) with Dynamics 365 Finance and Operations. Additionally, the Administration of Exams was integrated into Stage 2, streamlining the overall project timeline and reducing costs <p>Read more about the digital transformation journey on page 100</p> | | | |
| <p>OUTLOOK FOR THE MEDIUM TERM</p> <ul style="list-style-type: none"> Oversight and monitoring of key milestones planned to complete Stage 3 implementation in 2025 by the Digital Transformation Governance Committee | | | |

| 4 | DISCIPLINARY MATTERS AND BY-LAWS | RISKS, OPPORTUNITIES AND STRATEGIC RESPONSE | IMPACT |
|---|---|--|--|
| | <p>Scrutiny of the ethics and integrity of the accountancy profession has increased in recent years due to the increasing complexity of financial regulation and the increasingly global nature of the profession</p> <p>Stricter laws and regulations have been implemented to ensure that accountants adhere to ethical standards and comply with applicable laws and regulations</p> <p>Additionally, the increased prevalence of accounting scandals has led to increased public scrutiny of the profession and its practitioners</p> <p>SAICA has disciplinary guidelines and procedures in place to address misconduct by its members and uphold the integrity of the accountancy profession</p> <p><i>Disciplinary Code amended to streamline disciplinary processes</i></p> | <p>Risks</p> <ul style="list-style-type: none"> Damage to the reputation and trust of the profession if members are found guilty of misconduct Legal and regulatory action and financial liability for imposed fines Loss of SAICA's professional status and recognition <p>Related opportunities</p> <ul style="list-style-type: none"> Promotion of the consolidated trust reconstruction programme Advocate for high-quality ethical standards Benchmarking of SAICA's Disciplinary Code to international standards | <p>Capitals</p>   <p>Strategic pillars</p>   |
| <p>STRATEGIC RESPONSE</p> <ul style="list-style-type: none"> Amendments to the SAICA Disciplinary Code of the SAICA by-laws to streamline the disciplinary process Provided clarity on the Disciplinary Code to avoid unnecessary confusion and legal argument Successful prosecution of 190 complaints including the complaint referred to SAICA by the Zondo Commission Ethics in Practice series to provide support to members in applying SAICA's Code of Professional Conduct | | | |
| <p>OUTLOOK FOR THE SHORT, MEDIUM AND LONG TERM</p> <ul style="list-style-type: none"> Further capacitating the Discipline Unit to meet the increased number of complaints received in the short term Amendments to the Disciplinary Code to expedite and streamline the disciplinary process in the short term Collaboration with regulators and law enforcement agencies to provide relevant supporting evidence to enable the successful conclusion of prosecutions | | | |

| 5 | INCREASING REGULATORY REQUIREMENTS AND MEMBER EXPECTATION GAP | RISKS, OPPORTUNITIES AND STRATEGIC RESPONSE | IMPACT |
|---|--|---|--|
| | <p>The increasing regulatory burden placed on professional bodies in general, and SAICA in particular, continues to be a cause for concern as it may be unsustainable in the future</p> <p>SAICA faces a delicate balancing act: meeting increasing regulatory demands while fulfilling its core function as a member institute. This potential expectation gap arises from the mismatch between member desires, such as comprehensive compliance guidance and personalised support, and SAICA's member-facing limitations</p> <p>Increased pressure on SAICA to meet regulatory requirements and meet member expectations with resource limitations</p>  | <p>Risks</p> <ul style="list-style-type: none">• Increased pressure on SAICA and its members• Challenges in capacity to meet increasing regulatory requirements• Negative impact on relationships with regulators• Increasing outsourcing of some of the regulatory functions by statutory regulators to professional bodies will have resource and reputational implications <p>Related opportunities</p> <ul style="list-style-type: none">• Assist members with the application of revised standards and regulations• Continue to advocate for regulatory changes that will achieve their objectives without undue burden on the membership and the profession | <p>Capitals</p>   <p>Strategic pillars</p>   |
| STRATEGIC RESPONSE | | | |
| | <ul style="list-style-type: none">• Technical support to members• SME support in terms of implementing regulations and standards• SAICA has prioritised stakeholder engagements with the regulators responsible for the legislation relating to anti-money laundering. The primary goal is to keep members informed about developments in this field and to ensure that any guidance provided by regulators is tailored specifically for the accountancy profession. To facilitate this, SAICA has established an anti-money laundering (AML) webpage on its website to keep members updated on the latest developments in this area | <ul style="list-style-type: none">• Launch of a brand-new product series to assist members with compliance-related matters linked to regulatory requirements• SAICA collaborated with the Legal Practitioners' Fidelity Fund (LPFF) to create an agreed-upon procedures (AUP) report tailored for auditors involved in legal practitioners' trust account assurance engagements. Subsequently, the LPFF issued a directive to both the legal and accountancy professions to adopt the AUP report provided by SAICA | |
| OUTLOOK FOR THE SHORT, MEDIUM AND LONG TERM | | | |
| | <p>SAICA maintains ongoing communication with various regulators to find a balance that satisfies the regulators' expectations for performance in these areas while minimising the compliance burden on the Institute and its</p> | <p>members. As a membership organisation, SAICA prioritises serving its members' interests and fulfilling its public duty and thus aims to effectively reconcile the expectations of the regulators with the needs of its members</p> | |



| 6 | ACCESS, DIVERSITY AND INCLUSIVITY | RISKS, OPPORTUNITIES AND STRATEGIC RESPONSE | IMPACT |
|---|---|---|---|
| | <p>SAICA faces several interconnected issues that impact the pipeline, sustainability, transformation and attractiveness of the profession. These include:</p> <ul style="list-style-type: none">• Mathematics challenges – The challenges around mathematics are well documented, the availability of well-trained mathematics teachers and the small numbers of learners taking mathematics affect the number of students entering chartered accountancy programmes• Entrant challenges from alternative training providers and universities – The increasing number of training providers and universities offering accounting qualifications creates competition for potential candidates and raises concerns about quality and consistency• SAICA examination pass rates – There are still visible gaps in the pass rates of different racial groups. These create challenges for the profession leading to delayed progression for some candidates | <p>Risks</p> <ul style="list-style-type: none">• The profession may be less attractive to potential entrants• Increased competition from alternative training providers and universities could divert talent away from SAICA-accredited programmes• Candidates who may not be succeeding in SAICA examinations may consider other programmes or professions or professions• Diminishing CA pipeline <p>Related opportunities</p> <p>Mathematics improvements in pass rates</p> <ul style="list-style-type: none">• Develop targeted support programmes in collaboration with schools, universities and other key role players to strengthen maths education and bridge the skills gap• Integrate relevant technology and innovative teaching methods to make learning engaging and accessible <p>Training ecosystem</p> <ul style="list-style-type: none">• Partner with alternative training providers and universities to ensure high-quality education and consistent standards across the profession• Facilitate knowledge sharing and collaboration among training institutions to leverage diverse expertise and perspectives• Explore and implement alternative delivery models (such as online modules, blended learning) to expand access and cater to diverse learning styles <p>SAICA examination pass rates</p> <ul style="list-style-type: none">• Partner with training offices to better support candidates writing the SAICA examinations• Raising funding for interventions aimed at supporting examination candidates | <p>Capitals</p> <div></div> <p>Strategic pillars</p> <div></div> |
| STRATEGIC RESPONSE | | | |
| | <p>SAICA is taking a proactive stance against the mathematics challenges, a critical entry barrier to the accountancy profession. Through various initiatives, SAICA is bridging the educational gap, promoting inclusivity, and ensuring a sustainable future for the profession in South Africa</p> <p>Initiatives include:</p> <ul style="list-style-type: none">• SAICA sponsorship of South African Maths Foundation Teacher Development courses and the Mathematics Olympiad to identify and nurture talented young mathematicians and to promote the | <p>importance of mathematics education</p> <ul style="list-style-type: none">• The SAICA Educator Development Programme provides professional development opportunities for mathematics teachers• The SAICA Maths Buddy Campaign encourages mathematics teachers to share their passion for the subject with their learners• SAICA Development Camps sponsored by the Finance and Accounting Sector Education and Training (FASSET)• The SAICA Thuthuka Bursary Fund provides financial support to deserving learners who wish to study towards chartered accountancy | <p>In tackling mathematics challenges, SAICA collaborates with accredited providers under its CA of the Future Framework and with other organisations to establish alternative entry routes to the profession. SAICA supports candidates taking its professional examinations by implementing assistance programmes and fundraising initiatives for those in need</p> <ul style="list-style-type: none">• Implementation of the APC and ITC working group recommendations |
| OUTLOOK FOR THE SHORT, MEDIUM AND LONG TERM | | | |
| | <p>Mathematics</p> <ul style="list-style-type: none">• In the short and medium term, SAICA foresees the growing need to support learners and educators through strategic partnerships with other role players• In the long term, SAICA believes a comprehensive mathematics plan developed through partnerships by different professions and other key role players is required to ensure that the mathematics challenges are addressed holistically | <p>Training ecosystem</p> <ul style="list-style-type: none">• In the short and medium term, SAICA believes that it should facilitate more partnerships with accredited providers. In the long term, signed reciprocity agreements for different entry routes to the profession and to accredit PGDA programmes offered by HDI providers lacking such accreditation | <p>SAICA exam pass rates</p> <ul style="list-style-type: none">• In the short and medium term, continued interventions will support candidates in narrowing the gap in the pass rates of different racial groups, ultimately leading to the closure of these gaps in the long term• Implementation of the APC and ITC working group recommendations |

| 7 | TRUST RESTORATION | RISKS, OPPORTUNITIES AND STRATEGIC RESPONSE | IMPACT |
|---|---|--|--|
| | <p>Restoring trust in the profession through the advancement of ethics, accountability and discipline</p> <p>Trust in the accountancy profession depends on members’ ethical behaviour and the maintenance of high standards. SAICA has a key role to play in advancing ethics among its members and in broader society</p> <p>SAICA and its CA(SA) designation rated as the number 1 trusted in the world as well as an improvement in key brand health indicators</p>  | <p>Risks</p> <ul style="list-style-type: none">• Decrease in trust and admiration• Significant increase in disciplinary cases negatively impacting the brand• Implication of a few SAICA members/trainees in alleged unethical behaviour tainting the brand <p>Related opportunities</p> <ul style="list-style-type: none">• Continued initiatives to support the effectiveness of the financial ecosystem• Increased communication and engagement with key stakeholders to maintain good relationships and restore trust in the profession• Create efficiencies in the disciplinary process | <p>Capitals</p>   <p>Strategic pillars</p>  |
| STRATEGIC RESPONSE | | | |
| <ul style="list-style-type: none">• Contribute positively to the broader fight against corruption through initiatives such as Unite4Mzansi™, Courageous Conversations and the anti-corruption summit to address issues raised by the Zondo Commission• SAICA has undertaken several initiatives, including profiling members in assurance on the various SAICA platforms, engaging with the media on the importance of the auditing profession and the role that it plays in the wider financial reporting ecosystem, and hosting webinars on topics that will shape the future of the profession• Support for the Special Investigative Unit to address the challenge in the country of transforming | | <ul style="list-style-type: none">• diversity and equity in forensic skills• Ethics in Practices Series delivered monthly to promote a high level of ethical behaviour• Submission was made to the IESBA on its work plan and strategy which is key in determining the ethics projects that are most urgent and impacting the profession• Capacitating the Discipline Unit• Successful prosecution of 190 complaints including the complaint referred to SAICA by the Zondo Commission | |
| OUTLOOK FOR THE SHORT, MEDIUM AND LONG TERM | | | |
| <p>As part of the Audit Reform Project, SAICA will continue to conduct extensive consultations with various stakeholders, including auditing firms, regulators, oversight structures such as the board of directors and audit committees, government, business groups as well as users of financial statements</p> <p>The objectives will focus on:</p> <ul style="list-style-type: none">• Ensuring the profession’s relevance in the face of digitalisation, sustainability reporting requirements, and | | <p>ongoing reputational challenges</p> <ul style="list-style-type: none">• Safeguarding the stability and credibility of the financial reporting ecosystem• Maintaining the profession’s appeal to newly qualified young professionals• The establishment of a Centre for Audit Quality (CAQ) as a SAICA-related entity is currently being assessed. The CAQ is intended to be the voice of the auditing profession and to contribute positively to financial reporting and assurance in South Africa | |



| 8 | HUMAN CAPITAL IN A VALUE CREATION CONTEXT – ORGANISATIONAL REVIEW: ENHANCING ORGANISATIONAL COLLABORATION | RISKS, OPPORTUNITIES AND STRATEGIC RESPONSE | IMPACT |
|--|---|---|--|
| | <p>Enhancing Member Centricity and Experience depends on end-to-end collaboration and integration in the business</p> <p>To this end, the Organisational Review Project to better position SAICA for the envisaged integration and collaboration has been conceptualised and initiated</p> <div>NEW</div> | <p>Risks</p> <ul style="list-style-type: none">• Continuation of silo operation and execution• Member Centricity and Experience not optimal• Inability to effectively manage the institutionalisation of knowledge• Disintegrated processes and non-standardised practices• Non-responsiveness to immediate needs <p>Related opportunities</p> <ul style="list-style-type: none">• Continuation and enhancement of organisational collaboration and integration (non-silo execution and operation)• Member Centricity optimised• Institutionalisation of organisational knowledge• Integration of processes and practices• Optimal organisational configuration | <p>Capitals</p>  <p>Strategic pillars</p>  |
| STRATEGIC RESPONSE | | | |
| <p>SAICA has initiated a detailed organisational review process to:</p> <ul style="list-style-type: none">• Facilitate the development of the SAICA integrated target operating model aligned to the SAICA constitution and strategy• Configure/design an optimal organisational structure to execute the SAICA strategy• Align, develop and review the processes (and systems) to enable service delivery | | | |
| OUTLOOK FOR THE SHORT AND MEDIUM TERM | | | |
| <p>In addition to the broad objectives above, the organisational review process envisages, among others:</p> <ul style="list-style-type: none">• Defining the SAICA constitution and strategy-informed broad capabilities• Development of the SAICA constitution and strategy informed target operating model (TOM)• Reviewing the current organisational design and exploring alternative organisational designs; ensuring optimum span of control at various levels• Relooking at the purpose of each part of the organisational structure and aligning to the target operating model• Review of the various positions and reporting structures with the purpose of aligning to the target operating model• Review and realignment of the practices, policies, social systems (structures & fora) and systems for organisational efficiency and improved collaboration, employee engagement, experience, and enablement (documenting – knowledge management)• Develop, review and optimise current processes in accordance with the outcome of the organisational review to enhance organisational collaboration and integration | | | |

Note: The material matter relating to silo operation reported in the 2022 SAICA Integrated Report regarding issues with the APC exam process experienced in December 2021 has been largely addressed. Subsequent controls put in place have prevented any significant further issues with the examination processes.



Ayanda Mafuleka CA(SA)
CEO: FASSET
Difference Maker

A LEGACY OF DRIVING WOMEN EMPOWERMENT,

AND INSPIRING FUTURE LEADERS

Ayanda Mafuleka is a trailblazer in the world of finance. From serving as CFO at the National Credit Regulator and African Exploration and Mining Finance Corporation, Ayanda's expertise has traversed diverse sectors. Her financial acumen, strategic prowess and commitment shine through her roles in governmental departments and public entities as well as serving in various boards like Eskom, the Rand Water Foundation, and more. With a CA(SA) next to her name, she brings a dedication to continuous learning. Now CEO at FASSET, Ayanda's legacy of women empowerment and financial insight promises to shape industries and inspire leaders.



RISK AND OPPORTUNITY MANAGEMENT

VALUE CREATION THROUGH ENTERPRISE-WIDE RISK MANAGEMENT

Enterprise Risk Management (ERM) at SAICA integrates strategy and risk with the intention of creating value through improved performance and places greater focus on the creation and preservation of value as the key driver of risk management whilst emphasising the importance of other features such as stakeholder inclusivity and human and cultural factors.

INTEGRATING ERM INTO BUSINESS ACTIVITIES AND ORGANISATIONAL CULTURE

The journey to mature the risk management process at SAICA continued as management prioritised the embedding of the risk culture across the organisation through:

- Enterprise-wide risk management workshops, awareness, communication and training for all staff to ensure that ERM principles are understood and consistently applied throughout SAICA
- Ensuring that risk and opportunities are considered in decision-making
- Continued implementation and enhancement of the combined assurance model and risk-control self-assessment (RCSA) tool, and
- Investment in resources including the implementation of the enterprise risk and compliance management system

SAICA continuously tracked the trends and events that could potentially have an impact on the achievement of its strategic objectives. This information was used to identify potential risks and to update existing risk profiles (where applicable). The outcomes of these assessments were integrated with SAICA's risk appetite and results of any assurance activities to identify additional mitigating actions if necessary (refer to the table below).

RISK MATURITY

The SAICA ERM maturity model / assessment tool has been assessed and approved. The overall level of risk maturity has been self-assessed at a proactive Level 4; that is, the risk management function is well directed and controlled and most processes are in place and effective. Furthermore, SAICA's ERM processes are adequate to provide reasonable assurance that performance objectives will be achieved (because risks that could have a significant impact on the achievement of objectives are unlikely to have a significant impact) once the controls are taken into consideration.

SAICA undertook key initiatives during 2023 to improve and enhance the ERM maturity level through:

- Inclusion of risk-related key performance targets in scorecards and constant monitoring thereof
- Enhanced timely flow of risk information (top-down and bottom-up) through constant monitoring and oversight
- Early intervention to assess the extent to which ERM initiatives are implemented
- The enhanced ERM maturity model / assessment tool
- Reviewed, updated, and approved ERM, combined assurance and business continuity management policies and frameworks in line with best practice

KEY FOCUS AREAS FOR 2024

- Enhance SAICA's strong risk and compliance culture
- Continue to enhance top-down and bottom-up risk assessments
- Manage business continuity risks by implementing our refreshed business continuity plans
- Independent assessment of the SAICA compliance management maturity
- Ensure enhanced combined assurance co-ordination and reporting

RISK GOVERNANCE

Risk management and opportunity identification form part of every discussion throughout the business, spanning from one-on-one performance management / feedback sessions to divisional meetings, management and executive committee meetings, and Board sub-committee meetings.

Significant risks are reported on and considered at every Audit and Risk Committee meeting and reported at every Board meeting. Internal audit and other appointed assurance providers are contracted to provide independent assurance to assist management

and the Board in ensuring that the control environment improves and objectives are achieved.

There is clear accountability and ownership of risk through SAICA's governance structures depicted below:







| | |
|--|--|
| Board of Directors | The SAICA Board sets the tone for risk management and assumes ultimate accountability, but delegates oversight of risk management to the Audit and Risk Committee and the day-to-day risk management activities to management. They ensure that assurance services and functions enable an effective control environment and support the integrity of information for internal decision-making and of the organisation's external reports |
| Executive Management | Management is charged with the responsibility for taking appropriate risks within the risk appetite framework approved by the Board to create value. The Board receives quarterly reports on the status of existing as well as emerging risks and opportunities |
| Enterprise-wide Risk Management Function | Establishes the policies and procedures for managing risk, as well as promoting a culture of risk awareness and control The SAICA ERM policy and frameworks adopted by the Board govern ERM in the organisation and clearly define the roles and responsibilities of the Board, Board sub-committees, and various lines of assurance providers, promoting a sound risk culture. Risk is integrated with performance management and aligned to strategic objectives and performance goals |
| Risk Owners | Risk owners are the staff who are directly accountable for ensuring that risks are managed effectively by implementing actions required to treat the risks |
| Internal Audit | Internal audit and other appointed assurance providers are contracted to provide independent assurance to assist management and the Board in ensuring that the control environment improves and objectives are achieved |
| External Audit | External auditors provide an additional line of assurance. Their role is to provide reasonable independent assurance on the integrity of financial statements, as well as the effectiveness of internal controls in mitigating risks |

OUR RISK APPETITE GUIDES OUR DECISION-MAKING

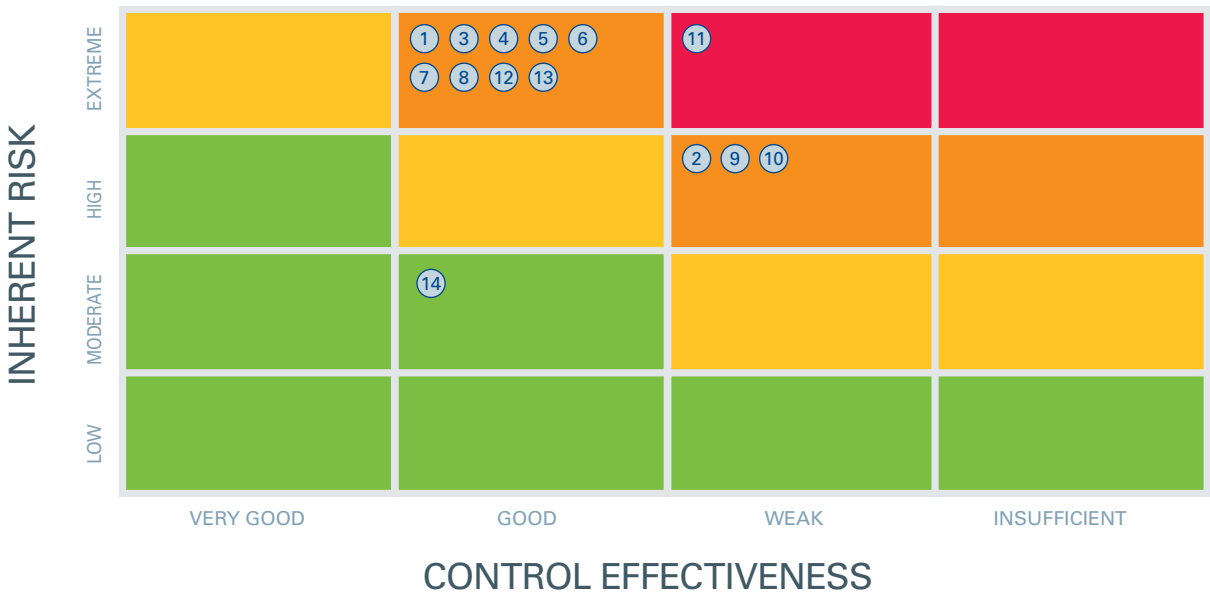
The Risk Appetite and Tolerance Framework provides guidance on developing and implementing risk appetite, risk tolerance levels and the risk-bearing capacity (which collectively form the risk thresholds of the SAICA Group), linked to and derived from the organisation’s strategic pillars and short-, medium- and long-term objectives. The realisation of SAICA’s strategy depends on the ability to take calculated risks in a manner that creates sustainable value for the SAICA Group. The framework provides guidelines for tracking and monitoring key risk indicators (KRIs) which provide an early warning signal of increasing risk exposures, enabling management to intervene in a timely manner through appropriate risk-mitigating responses.

EMERGING RISKS

The main drivers escalating the risk environment include the following emerging risks and events:

| RISK/EVENT | RELATED STRATEGIC RISK/S | MITIGATING ACTIONS |
|--|---|---|
| Artificial intelligence (AI) and its impact on the accountancy profession An impact analysis on how AI technology and its generative capability are impacting the accountancy profession is currently being undertaken by the Standards division |  | <ul style="list-style-type: none">Knowledge sharing and informal discussionsA formal task team / steering committee which includes divisional representation to assess the full impact of AI on the accountancy profession |
| AI IT security Although the introduction of AI software, applications and robotics presents many opportunities, there is a probability that it will also introduce threats or intensify the impact of current threats such as hacking, which could lead to more cyberattacks/breaches. It is important to investigate the impact of AI on IT networks and organisations’ IT infrastructure and systems |  | <ul style="list-style-type: none">IT Security FrameworkERM risk event escalation and reporting processOngoing training and awareness to improve staff maturity in relation to cyber threats |
| Power supply and maintenance Continued power outages are causing a disruption in business operations |  | <ul style="list-style-type: none">Continuous revision and implementation of SAICA’s business continuity practicesExploration and consideration of alternative power solutions and connectivity |
| SAICA’s evolving role as a regulator The proposed changes to the registered controlling body (RCB) criteria by SARS to monitor CPD compliance of tax practitioners will strain SAICA’s resources, as it could result in SAICA performing a dual role as member body and regulator |  | <ul style="list-style-type: none">Continuous engagement with regulators to clarify SAICA’s role and align expectations with regulators |
| Disciplinary processes of tax practitioners From a compliance and potentially discipline perspective, the management and monitoring of tax practitioners by SAICA may become unduly burdensome |  | <ul style="list-style-type: none">Update the by-laws and disciplinary processes to build efficiencies into the disciplinary processesIdentify non-compliance and enforce policies and proceduresA member compliance and disciplinary process audit is in progress |
| A decline in the number of transformation student passes at third-year and CTA levels |  | <ul style="list-style-type: none">Detailed research into the causes is in progress to identify an appropriate response strategy |

The current 14 strategic risks are illustrated in the heatmap below.














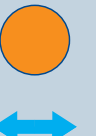
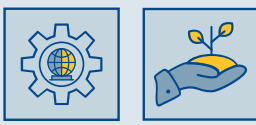





LEGEND FOR RESIDUAL RISK RATING

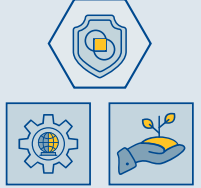

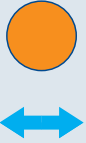


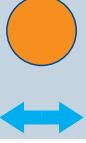


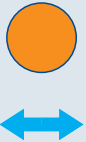


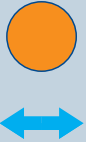





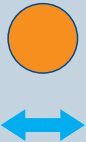








LEGEND FOR RISK TREND



The tables below provide insight into the top strategic risks:

| | RISK DESCRIPTION | STRATEGIC PILLARS AND MATERIAL MATTERS | ORGANISATIONAL CAPITALS AFFECTED | OPPORTUNITY | RISK RESPONSE | TREND YEAR-ON-YEAR |
|---|--|--|---|--|---|---|
| 1 | Diminishing value of all SAICA designations resulting in a decline in membership (members or prospective members do not buy into the need and relevance of belonging to a professional body) |  |  | Adding value to members and prospective members by identifying the requisite skills required to meet future needs and aligning service offerings accordingly | <ul style="list-style-type: none"> Monitoring of initiatives to enhance member value and review of feedback through PHI scores Implementation and monitoring of member services through independent feedback (PHI – member satisfaction) and timely intervention on negative trends Adaptation of CPD offerings to include topics on technological advancements Implementation of the CA of the Future demonstrated through a progress report on implementation Ongoing collaboration with international institutes such as IFAC to meet and exceed international best practice demonstrated through a schedule of engagements and record of outcomes from the engagements |  |
| 2 | Members and associates losing their accreditation to perform regulatory functions through the repeal of applicable regulation (CA(SA) Designation Act, APA, etc) |  |  | <ul style="list-style-type: none"> Proactive engagement with members to meet their needs and requirements Ongoing collaboration and effective engagement with regulators | <ul style="list-style-type: none"> Continuous in-depth monitoring of regulator perception through independent feedback and timely intervention on negative trends Effective and efficient member disciplinary processes demonstrated through a mapped process and procedure manual |  |
| 3 | Loss of confidence in members' professional competencies (including their conduct in terms of the Code of Professional Conduct and competencies required by CA of the Future and skills |  |  | Showcasing and elevation of the role and impact of the profession in the economy through thought leadership and value-creation initiatives | <ul style="list-style-type: none"> Continuous review of SAICA's Competency Framework Oversight and implementation of the CA of the Future and CPD policy |  |
| 4 | Loss of confidence in SAICA's educational programmes – that they will not produce students with the competencies required by training offices and the market resulting in SAICA's inability to attract new members |  |  | Differentiating marketing, communication and public relations activities as part of the trust campaign both locally and internationally | <ul style="list-style-type: none"> Continuous review of SAICA's Competency Framework and the implementation of the CA of the Future outcomes Review of SAICA's training regulations and effective implementation thereof Ensuring effective implementation thereof through training |  |
| 5 | Loss of strategic stakeholder (government and funders) confidence and inability to attract funding for growth and transformation initiatives |  |  | Showcase members' contribution to the South African economy and society, as well as SDGs | <ul style="list-style-type: none"> Continuous monitoring and tracking of growth and transformation initiatives and throughput pass percentages, including Thuthuka camps focused on attracting the top maths performers in the country and support programmes to drive improved mathematics results to increase the student pipeline |  |
| 6 | A decline in the intake of learners into the profession |  |  | Promotion of the accountancy profession within all schools including rural schools | <ul style="list-style-type: none"> Established relations with the provincial Departments of Basic Education to ensure a collaborative approach in the promotion of mathematics and the accountancy profession. This was demonstrated through signed partnership agreements for initiatives Project plan aimed at the development and promotion of mathematics and the promotion of the accountancy profession within all schools, including rural schools |  |

| | RISK DESCRIPTION | STRATEGIC PILLARS AND MATERIAL MATTERS | ORGANISATIONAL CAPITALS AFFECTED | OPPORTUNITY | RISK RESPONSE | TREND YEAR-ON-YEAR |
|----|---|---|---|---|--|---|
| 7 | Unable to serve SAICA members and stakeholders resulting in the SAICA Group ceasing to exist |  |  | Increased understanding of members' and stakeholders' expectations | <ul style="list-style-type: none"> Engage members on SAICA's value proposition Maintain long-term contracts with funders Engage trainees and training offices on the benefits of SAICA-accredited training and support initiatives to enhance throughput pass percentages demonstrated through a schedule of engagements / approved project plan of initiatives |  |
| 8 | Risk of data breaches and cybercrime leading to downtime |  |  | Enhance security through real-time monitoring of and responding to attempted breaches | <ul style="list-style-type: none"> Threat and vulnerability assessments Ongoing monitoring of attempted breaches to enhance security Ensure up-to-date upgrades and maintenance of SAICA's defence, recovery, and business continuity systems |  |
| 9 | Non-compliance with laws and regulations pertaining to processing, storing, securing and sharing of data |  |  | Continued compliance by SAICA as a mechanism to maintain and enhance its credibility | <ul style="list-style-type: none"> Implement and monitor data management measures (including GDPR/ POPI project; data governance policy; contract management policy; contract management framework with standard data protection clauses included in current process; and data-sharing project) Constant monitoring of areas of non-compliance, documenting and implementing action plans |  |
| 10 | Failure to support Board and Board sub-committees in line with governance best practice through: <ul style="list-style-type: none"> Effective internal processes Implementation of all SAICA's strategic projects |  |  | Creation of value for members and stakeholders through the effective implementation of the governance framework | <ul style="list-style-type: none"> Adoption of the project management methodology across SAICA Ensure effective coordination of strategic projects and performance reporting (reporting to Exco and relevant Board sub-committees such as DTGC, HR & REMCO, etc) Document key processes and streamline automation in line with documented processes Monitoring the implementation of the governance framework and responding to the challenges timeously |  |
| 11 | Inability to continue business in the event of an emergency or disaster |  |  | Enhanced credibility through proactive risk analysis and scenario planning | <ul style="list-style-type: none"> Implement business continuity management policy and framework, business continuity plan and disaster recovery plan |  |
| 12 | Non-compliance with legislation, regulation, and Acts relevant to the business of SAICA and its controlled entities (which include IRBA accreditation, the CA Designation Act, etc) |  |  | | <ul style="list-style-type: none"> Ongoing reporting to the relevant regulatory institutions as required by related legislation Implementation of the compliance programme Constant monitoring of areas of non-compliance, documenting and implementing action plans |  |
| 13 | Failure to satisfactorily meet the set objectives as per the SAICA scorecard |  |  | Change management initiatives to build an organisational culture which promotes innovation and high performance | <ul style="list-style-type: none"> Effective performance management process (tracking and monitoring of performance trends) Implementation and monitoring of performance management policy (that coexists with the employment relations policy) Successful implementation of the Ushintsho Programme Bi-annual employment engagement survey Timely recruitment, selection, and placement of senior management vacancies |  |
| 14 | Failure to meet the target B-BBEE level (unfavourable B-BBEE rating) |  |  | Enhanced credibility through the implementation and monitoring of B-BBEE sub-level requirements | Continuous implementation and monitoring of the appropriate interventions to achieve B-BBEE |  |

BREAKING BARRIERS – A FORCE FOR

WOMEN IN LEADERSHIP

Meet Fayruz Mohamed CA(SA)
Chairperson: South African
National Zakah Fund
Difference Maker

Fayruz Mohamed CA(SA) chairperson at the South African National Zakah Fund and winner of the SAICA Difference Maker Award for SDG and Sustainability, is the epitome of unwavering commitment and servant leadership. Her diverse expertise across the financial services, Islamic finance and public sectors has earned her international recognition, including prestigious accolades like WOMANi Influencer of the Year. Her tireless efforts in women's empowerment, including SANZAF's National Women Empowerment Programme, highlight her commitment to fostering inclusive spaces. Inspired by her humble beginnings, Fayruz advocates for effective governance and policies, driving positive change in communities.



CORPORATE GOVERNANCE ALIGNED TO **THE KING IV™** PRINCIPLES

The delivery of our purpose and strategy is underpinned by our governance approach.

OUR VALUE-CREATING GOVERNANCE APPROACH

The principal purpose and object of the Institute as described in its constitution is to promote the common interests of members and associates and the public interest by enhancing the relevance, values, competence and influence of members and associates in South Africa and abroad. SAICA also subscribes to King IV’s voluntary principles and leading practices in support of this unique mandate.

Good corporate governance is achieved through the Board’s commitment to ethical and effective leadership, strategic direction setting, and appropriate oversight towards achieving the four governance outcomes of ethical culture, good performance, effective control, and legitimacy.

| | |
|-------------------|--|
| Good performance | <ul style="list-style-type: none">• Determining strategic direction and assisting SAICA in achieving its strategic objectives in the best interest of the accountancy profession• Overseeing performance through regular reporting, specifically on the identified focus areas• Performing assessments of Board, its committees and individual directors• Investing in human capital and creating the environment in which they can apply their expertise to execute SAICA's strategy successfully |
| Effective control | <ul style="list-style-type: none">• Ensuring that risk management policies, practices, frameworks and tolerance limits are adequately monitored• Ensuring regulatory compliance• Providing effective oversight of the internal control environment, financial management and reporting through the Audit and Risk Committee, internal audit and external audit |
| Legitimacy | <ul style="list-style-type: none">• Ensuring that the Board and its committees’ composition is optimised, outside interests are adequately disclosed, and that directors act with a fiduciary duty and in the best interest of SAICA and the accountancy profession• Delegating power to SAICA structures and committees, ensuring<ul style="list-style-type: none">◦ Effective engagement and involvement in the operation◦ Exercising of independent and unfettered judgement and effective discharge of SAICA's Board responsibilities• Implementing comprehensive stakeholder engagement policies and plans |
| Ethical culture | <ul style="list-style-type: none">• Ensuring executive focus on living SAICA's values and regular engagement with employees on the values• Measuring employee performance on a two-dimensional scale, including what was delivered and how it was delivered (ethical behaviour aligned with SAICA's values)• Fair and transparent remuneration practices |



OUR GOVERNANCE

There are ongoing efforts to further embed the King IV™ principles into the Institute's day-to-day business activities. The Board is satisfied that the Institute is aligned with the key principles and is mindfully overseeing the application of the relevant practices.

HEIGHTENED FOCUS AREAS OF THE BOARD IN 2023

REVIEW OF SAICA GOVERNANCE STRUCTURE

In response to a request from SAICA's Council, an independent Governance Review Committee commenced a review of the organisation's governance structures in 2023. The committee has engaged in extensive consultations with relevant stakeholders. The review is expected to be completed in April 2024 and is anticipated to yield significant recommendations aimed at strengthening SAICA's governance framework. The Board will carefully consider these recommendations to enhance SAICA's effectiveness and accountability.

ONBOARDING OF NEW CHIEF EXECUTIVE OFFICER

Mr Freeman Nomvalo, CEO of SAICA from February 2019, leaves the organisation following the completion of his fixed term contract of five years. After due consideration by the SAICA Board of candidates for a replacement, Freeman is succeeded by Ms Patricia Stock whose appointment as CEO commenced on 1 December 2023 following a two-month handover period.

2024 PLAN FOR AN EVALUATION OF THE BOARD AND ITS COMMITTEES, CHAIRS AND INDIVIDUAL MEMBERS

To support continued improvement in its performance and effectiveness, the decision was approved to engage the Institute of Directors of South Africa (IODSA) to perform an evaluation of the Board, and its committees, its chairs and individual members in 2024. It will also include peer reviews. Formal management performance reviews are done twice a year and the results are reviewed by internal audit. From 2024, the performance of the National Council will also be reviewed annually.

OVERSIGHT OF THE PROCESS TO FORMULATE THE STRATEGY 2024–2028 – UNDERPINNED BY A STAKEHOLDER-INCLUSIVE APPROACH

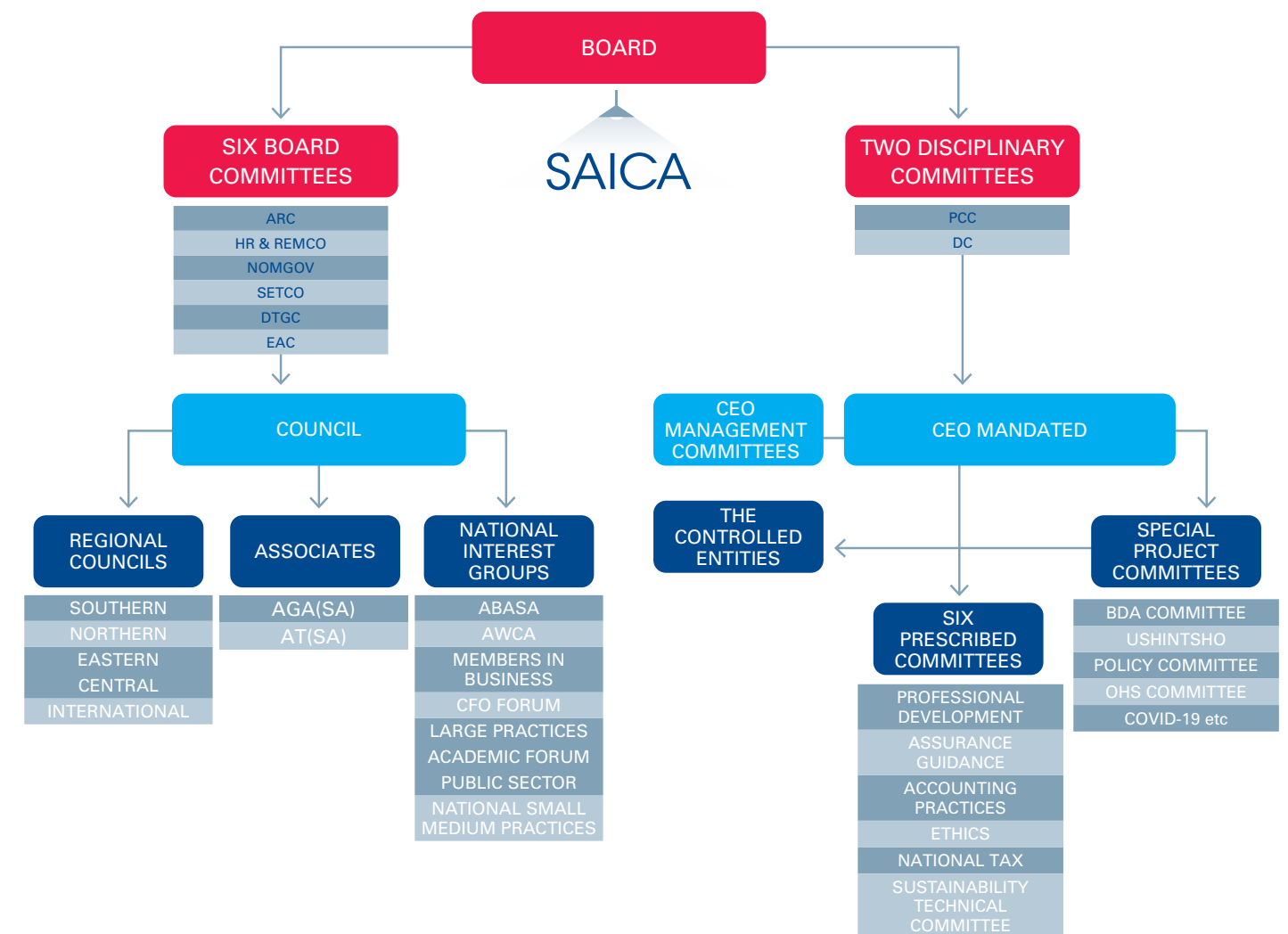
In pursuit of shaping the future for professional excellence, SAICA undertook a transparent and inclusive strategy formulation journey for its 2024-2028 strategy, characterised by active stakeholder participation. This approach aimed to involve our valued stakeholders more substantially in shaping our strategic direction.

OUR GOVERNANCE FRAMEWORK

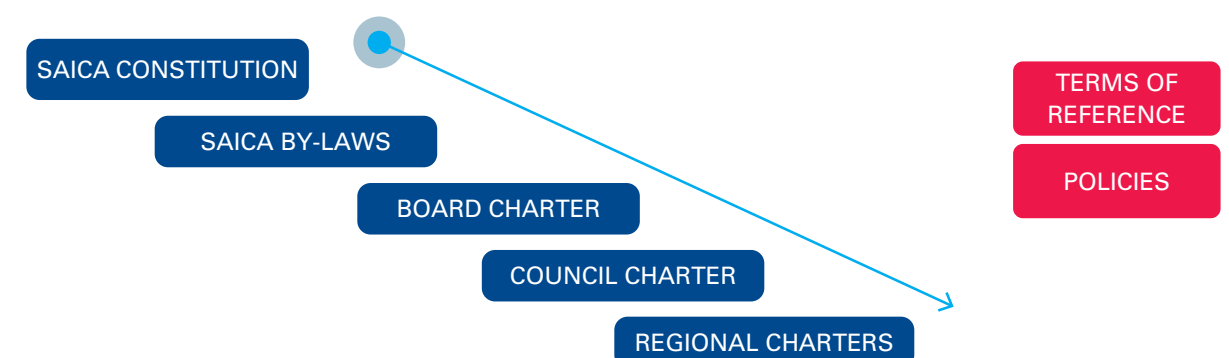


The governance framework prescribed by the SAICA constitution enables the Board to oversee, assess and approve the strategic direction, financial and non-financial performance areas, resource allocation and risk appetite of the Institute. It also supports the Board in ensuring that it can hold the executive team accountable for the execution of the Institute's strategy key performance areas.

GOVERNANCE FRAMEWORK



The SAICA Governance Framework is built to comply with the directives from various documents which are depicted below. Documents with prescriptions regarding these committees exist.



BOARD CHARTER

The SAICA Board Charter regulates the parameters within which the Board operates and ensures the application of the principles of good corporate governance in all its dealings. Additionally, the Charter sets out the roles and responsibilities of the Board and individual members, including the composition and relevant procedures of the Board, and is aligned with the provisions of the SAICA constitution.

The Charter further addresses the powers delegated to various Board committees and practices of the Board in respect of matters such as corporate governance, declarations and conflicts of interest, Board meeting documentation and procedures, including the training and evaluation of directors and members of Board committees. The Charter is reviewed annually, or as and when required during the year. In addition to the regulatory framework provided by the Charter and the terms of reference of the committees.

BOARD MEETINGS

The Board uses its meetings to discharge its governance and regulatory responsibilities. Meeting agendas follow an approved annual work plan and also provide for the inclusion of urgent non-routine matters. Meeting agendas comprise management reports on operational and financial performance as well as matters of strategy execution and risk and opportunities; governance, compliance and legal issues; and matters otherwise reserved for Board decision-making.

The Board met 12 times (includes seven special meetings) during the year at which there was 96% attendance by members (refer to www.saica.org.za for Board meeting attendance).

ACCESS TO AND FLOW OF INFORMATION

Members of the Board have unrestricted access to the Executive Committee, senior management and company information, as well as other resources required to carry out their duties and responsibilities, through the Board Secretary.

EXTERNAL ADVISORS

Access to specialist advice is available to directors at SAICA's expense and experts are used to advise the various Board committees.



OUR BOARD

The Board serves as the focal point and custodian of corporate governance and has 12 members, which is the maximum number of Board members as per the SAICA constitution. This membership includes:

- Two executives – the CEO and COO per SAICA constitution
- Seven (2022: eleven) CAs(SA) on the Board. These members are the largest group, as required by the constitution
- Three non-CAs(SA) on the Board, which is the maximum allowed by the constitution
- Three ex-officio members on the Board: the CEO, the COO and the President of the Council
- The Chairperson and Lead Independent Board Member are elected annually by the Board following the AGM

Read more

See full profiles of our Board on our website

<https://www.SAICA.org.za/about/overview/board>



Vincent Mohau Motholo

Non-Executive Director (Chairman)

RACE: African | AGE: 40 | Tenure: 3 years

CA(SA), Cert.Dir, Stanford LEAD Professional Certificate, Business and Management Development Digital Programme

Board committees:

- Chairperson of the Board
- Chairperson of the Nominations and Governance Committee

Babalwa Bekwa

Non-Executive Director

RACE: African | AGE: 43 | Tenure: 5 years

BCom Hons (Information Systems)
MBA

Board committees:

- Chair of Digital Transformation Governance Committee
- Member of Audit and Risk Committee



Yasmin Forbes

Non-Executive Director and Lead Independent Director

RACE: Coloured | AGE: 65 | Tenure: 5 years

MBA
Chartered Director (CD(SA))

Board committees:

- Chairperson of the Human Resources and Remuneration Committee until May 2023
- Chairperson of the Social Ethics and Transformation Committee from June 2023
- Member of the Nominations and Governance Committee



Alice Marié le Roux

Non-Executive Director

RACE: White | AGE: 50 | Tenure: 2 years

CA(SA)

Board committees:

- Member of the Social Ethics and Transformation Committee
- Member of the Education and Assessment Committee



Jacobus Swanepoel

Ex-Officio Director – President of Council

RACE: White | AGE: 60 | Tenure: 5 years

CA(SA)

Board committees:

- Chairperson of the Education and Assessment Committee
- Member of the Nominations and Governance Committee

Sibonelo Cyril Madiba

Non-Executive Director

RACE: African | AGE: 37 | Tenure: 2 years

CA(SA), BCom Hons, MINSTD

Board committees:

- Member of the Social Ethics and Transformation Committee
- Member of the Digital Transformation Governance Committee



Thandi Thankge

Non-Executive Director

RACE: African | AGE: 56 | Tenure: 1 year

CD(SA), MCom (Business Management), BA (Hons) Industrial Psychology

Board committees:

- Chairperson of the Human Resources and Remuneration Committee
- Member of the Education and Assessment Committee



Tintswalo Mofokeng

Non-Executive Director

RACE: African | AGE: 40 | Tenure: 2 years

CA(SA), BCom Hons

Board committees:

- Member of the Audit and Risk Committee
- Member of the Human Resources and Remuneration Committee



Brenda Tsvetu

Non-Executive Director

RACE: African | AGE: 45 | Tenure: 3 years

CA(SA), Cert.Dir, MPhil (MDevF), BAccSci (Hons), ACT (UK)

Board committees:

- Chairperson of the Audit and Risk Committee
- Member of the Education and Assessment Committee

Dheren Singh

Non-Executive Director

RACE: Indian | AGE: 44 | Tenure: 2 years

CA(SA), BCom Hons

Board committees:

- Member of the Human Resources and Remuneration Committee
- Member of the Digital Transformation Governance Committee



EXECUTIVE DIRECTORS OF THE BOARD ARE:



Patricia Stock
Chief Executive Officer and Executive Director
(from 1 December 2023)
RACE: African | AGE: 41 | Tenure: N/A
Masters: International Accounting,
CESGA®

Fanisa Lamola
Executive Director – Chief Operating Officer
RACE: African | AGE: 50 | Tenure: 5 years
CA(SA) CD(SA)



On 31 January 2024, we bade farewell to Freeman Nomvalo who served as the Chief Executive Officer for five years. In this capacity he was an Executive Director of the Board until the Board meeting in April 2024.



Sithembiso Freeman Nomvalo
Chief Executive Officer and Executive Director (until 31 January 2024)
RACE: African | AGE: 57 | Tenure: 5 years
BCompt Hons

As SAICA embraces a transition in leadership from Sithembiso Freeman Nomvalo to Patricia Stock, the legacy of Freeman remains entrenched in the Institute’s resilience and unwavering commitment to value creation and profound emphasis on servant leadership. His tenure will be remembered as a period of transformative growth, fortifying SAICA’s position as the leading institute in the accountancy profession.

BOARD RESPONSIBILITIES

- Ensure that strategic objectives are set and achieved in line with the purpose and objectives of the Institute
- Establish a policy framework and funding model within which the organisation must operate
- Act as the custodian of corporate governance in the Institute
- Ensure that the Board committees discharge their functions appropriately in relation to meeting strategic plans and budgets
- Monitor the activities of trusts, non-profit organisations and social responsibility projects established by the Institute, as determined in the Institute’s Delegation of Authority
- Appoint, set performance criteria and evaluate the performance of the CEO
- Ensure that the Institute maintains a robust process for identifying, prioritising, managing, mitigating, monitoring and reporting critical risks through the Audit and Risk Committee
- Ensure that the Institute and its members, associates and trainee accountants adhere to the highest standards of ethics and competence, that the relevant designations are protected, and that the profession is trusted
- Oversee the disciplinary process with regard to members, associates and trainee accountants
- Promote and monitor transformation in the profession
- Review and approve appropriate by-laws

BOARD APPOINTMENTS, RESIGNATIONS AND RETIREMENTS

During 2023:

- Mr Johan du Toit retired on 25 May 2023 after serving on the Board as a non-executive director for three years.
- Mr Sithembiso Freeman Nomvalo’s five-year term of office concluded as on 31 January 2024, at the same time as which his tenure as an executive director ended.
- Ms Patricia Stock was appointed to the Board as an executive director having been appointed as the SAICA CEO from 1 December 2023.
- Ms Thandi Thankge was appointed to the Board as a non-executive director in May 2023.
- Ms Yasmin Forbes and Ms Alice le Roux were re-appointed as non-executive directors in May 2023.

With regard to Board committees, the following changes are noted:

- Mr Vincent Mtholo was re-appointed as Chairperson of the Board and Ms Yasmin Forbes as the Lead Independent Member.
- Ms Brenda Tsvetu was re-appointed as Chairperson of the Audit and Risk Committee.
- Ms Yasmin Forbes was appointed as Chairperson of the Social, Ethics and Transformation Committee and a member of the Nomination and Governance Committee.
- Ms Thandi Thankge was appointed as Chairperson of the Human Resources and Remuneration Committee and a member of the Education and Assessment Committee.

OUR COMPETENT, DIVERSE AND INDEPENDENT BOARD



The Board comprises the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.

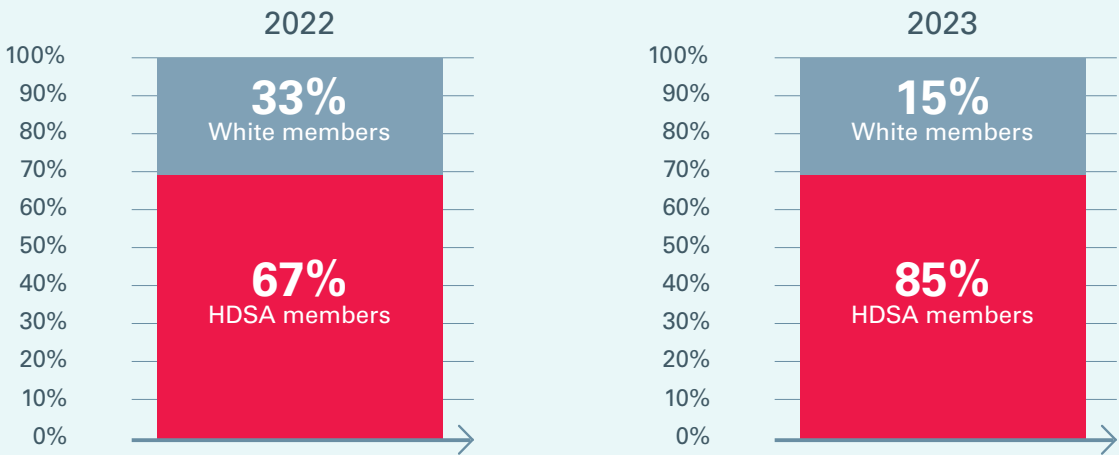
SKILLS OF OUR BOARD

The Board comprises directors with a wide variety of skills which include: Strategy and Implementation, Business and Business Rescue; Finance and Treasury, Accounting and Auditing; Forensic Accounting and Auditing; Governance and Law; Assurance and Internal Controls; Banking; Risk Management; Information Communication Technology and Information Systems; Business Continuity Management; Stakeholder Management; Human Resources Development (SMME, Enterprise, B-BBEE, Transformation), Academia.

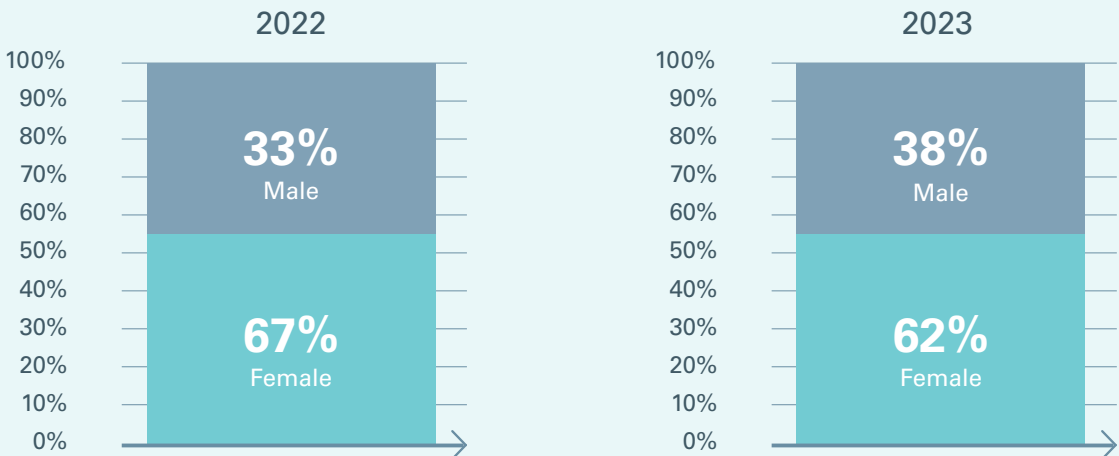
BOARD DIVERSITY

Race, gender, disability and diversity, relevant skills and expertise, and knowledge of the core skills of the profession enhance the composition of a truly diverse Board. They also assist in achieving a sustainable competitive advantage for the profession. It is the policy of the Board that all facets of diversity are considered in determining the optimal composition of the Board which, where possible, will be balanced appropriately.

THE DIVERSITY DEMOGRAPHICS ARE AS FOLLOWS:

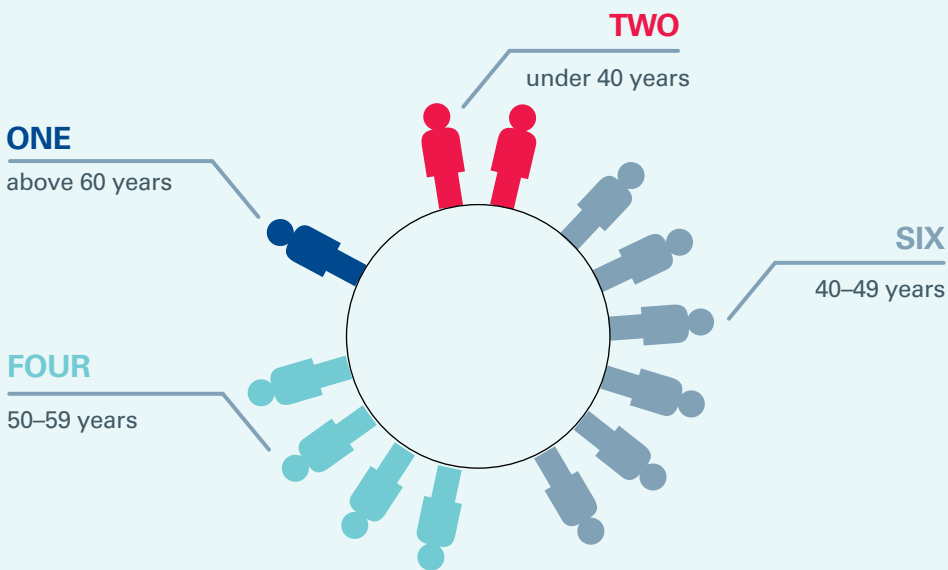


THE GENDER DEMOGRAPHICS ARE AS FOLLOWS:



DIVERSITY OF AGE

THE AVERAGE AGE OF OUR DIRECTORS IS 48 YEARS



CHAIRPERSON AND CHIEF EXECUTIVE OFFICER

The roles of the Chairperson and Chief Executive Officer (CEO) are clearly defined and differentiated, as set out in the SAICA Board Charter.

The Chairperson of the SAICA Board is elected annually by the Board following the AGM. The SAICA constitution prescribes that the Chairperson must be an independent non-executive member of the Board with no executive or management responsibilities. He or she may also not be a member of the SAICA National Council.

It is the responsibility of the Board to appoint a CEO. The CEO is delegated with authority from, and is accountable to, the Board for the development and successful implementation of the SAICA strategy and the overall management and performance of the Institute to achieve its purpose and goals.

LEAD INDEPENDENT BOARD MEMBER

It is prescribed by the constitution that the Board must appoint a Lead Independent Board Member to assist the Chairperson in the execution of their duties and such other functions as the Board may wish to delegate to the Lead Independent Board Member in the Board Charter. Like the Chairperson, the Lead Independent Board Member is elected annually by the Board following the annual AGM.

COUNCIL

SAICA is a member organisation, and therefore members must have a say in the governance of their Institute. As such, the SAICA National Council must represent SAICA members' interests facilitated through input from the regional constituencies.

In 1980 when SAICA was established, its chief governance vehicle was a council comprising councillors appointed by each of the provincial societies (geographical representation).

In terms of the new constitution, a council is elected by regional and constituency bodies to represent the full spectrum of SAICA members (regional, firms, members in business, associates, interest groups, etc) taking cognisance of race, gender and disability. It shall serve as an advisory forum to the Board and must:

- Elect a president who will chair the council
- Serve as a consultative forum and consider, apply their minds and, at the request of the Board, provide advice to the Board on matters relating to the strategy of SAICA and the CA(SA) profession and associated designations, and where appropriate, management
- Represent SAICA members' interests facilitated through input from the regional councils and other

- relevant sources to the Board and management
- Provide input to the Board for the appointment of members to the Board
- Consider and award lifelong and honorary life membership to members
- Recommend changes to the professional Code of Ethics for approval by the Board

BOARD MEMBER ONBOARDING AND INDUCTION

Induction of newly appointed directors takes place through a formalised programme facilitated by the Board Secretary and CEO through structured sessions. To ensure ongoing director development, the Board Secretary compiles a monthly governance newsletter containing Institute of Directors South Africa (IODSA) training, encouraging directors to attend at SAICA's expense. The newsletter also contains key topics of relevance, latest trends and developments.

EVALUATION AND PERFORMANCE OF THE BOARD

KIV P9
The Board ensures that the evaluation of its own performance, and that of its committees, its Chair and its individual members, supports continued improvement in its performance and effectiveness.

The Board ensures that the evaluation of its own performance, and that of its committees, its chair and its individual members, supports continued improvement in its performance and effectiveness.

The last formal evaluation process was completed by an external consultant and presented to the NOMGOV in March 2022. An action plan was created to address the identified areas for improvement and was implemented. To support continued improvement in its performance and effectiveness, the decision was approved to engage the Institute of Directors of South Africa (IODSA) to perform an evaluation of the Board, and its committees, its chairs and individual members in 2023.

Having finalised the SAICA Board performance during 2023 the IODSA concluded that:

'Overall, the Board is performing at a 'Good' level (3,9/5). Out of the governance areas evaluated, the strongest performance is found within 'Board Committees'. There are however a number of areas that require attention in order to improve the Board's effectiveness and performance.'

The Board will consider the results and recommendations of this evaluation and an action plan will be prepared to address the gaps identified.

Meet Wamashudu Mukheli
Third-year Trainee Accountant
Co-founder and Managing Director: Campus Connect
Difference Maker

PROPELLING FUTURE CAs TO SUCCESS

INSPIRING A NEW WAVE OF LEADERS

Wamashudu Mukheli, a third-year trainee accountant is co-founder and Managing Director of Campus Connect based in Gauteng. He is reshaping how students tackle their chartered accountancy journey. With a background from Wits University and expertise from BDO South Africa in the Financial Services division and in the Specialised Valuations and Credit Group, Wamashudu's passion ignited Campus Connect in 2019. Today, over 20 000 students nationwide rely on Campus Connect for top-tier educational resources, propelling them toward academic success. As the winner of SAICA's 2023 Trainee Trailblazer Award, he isn't just transforming education; he is inspiring the next wave of leaders to reach for greatness and leave a lasting mark in their fields.



LEADERSHIP, ETHICS AND CORPORATE CITIZENSHIP

LEADERSHIP



The Board leads SAICA ethically and effectively.

THE ROLE OF THE BOARD

The Board is elected by the members of SAICA and accepts overall accountability for SAICA’s performance and for ensuring that the profession is adequately positioned to create sustainable value over the long term for all stakeholders, taking into account the material issues, risks and opportunities.

The Board remains SAICA’s overall custodian of good corporate governance, promoting an ethical and cohesive organisational culture, effective control, compliance, accountability, and responsive and transparent stakeholder engagement. The Board’s primary responsibility is that of setting the strategic direction of the Institute.

In tandem, the Board provides continuous oversight of material matters, risks, opportunities and the strategic allocation of resources. In its oversight role, the Board serves as an independent check and balance to the Institute’s executive management team, whose main responsibility remains to manage the business.

ETHICAL LEADERSHIP

An ethical culture builds support structures that underpin our core purpose, values and strategy. SAICA and its Board promote the fundamental values member centricity, integrity, professional behaviour, accountability, respect and transparency. The Board is held accountable by SAICA’s members for ensuring ethical and effective leadership within the governance structures and policies adopted by SAICA.

CONFLICTS OF INTEREST

Every Board and Board committee meeting is preceded by a declaration of interests on the matters that are on the agenda. In a case where there are material interests, a member is recused from the meeting and

does not participate in the decision-making on the particular matter. In addition, a general disclosure of interests is conducted on an annual basis and the interests register is maintained and kept by the Board Secretary.

The Board members are diverse in their academic qualifications, industry knowledge, experience, race and gender. This diversity enables them to provide the Institute with the relevant judgement and guidance to work effectively when conducting and determining the affairs of SAICA.

FIT AND PROPER REQUIREMENT

The SAICA Board is committed to ensuring that responsible persons in key positions are fit and proper. A fit-and-proper person is someone who meets the list of requirements contained in the constitution.

CODE OF PROFESSIONAL CONDUCT

The majority of SAICA Board members are CAs(SA) who are bound by the Code of Professional Conduct applicable to all SAICA members and associates. Board members and employees of SAICA must also comply with the SAICA Code of Ethics. Non-CA(SA) Board members must comply with the code of ethics applicable to their professional membership.

ETHICS



The Board governs the ethics of SAICA in a manner that supports a sound ethical culture.

GOVERNANCE STRUCTURES TO ENSURE AN ETHICAL CULTURE

The Board is responsible for an ethical organisation. The Board has delegated the responsibility for ethics governance to the SETCO. The day-to-day

implementation of the Code of Ethics lies with executive management. Effective implementation of the Code requires management to ensure that the Code is implemented across all business units of SAICA. It is reviewed annually by the SETCO, which recommends to the Board changes and improvements to the Code.

CODE OF ETHICS

The Board conducted its annual review of SAICA’s Employee Code of Ethics, which outlines the key behaviours and actions expected of employees, suppliers and business partners. There is a current programme to confirm the written commitment of all employees for the revised Code of Ethics.

No material breaches of the Code of Ethics were noted during the year under review.

CORE VALUES

Our purpose is underpinned by six core values. To emphasise individual responsibility and active ownership, the values are phrased in the first-person format and condensed into the acronym MIPART. This serves to reinforce the idea that each and every person, including Board members, plays a role in shaping the culture at SAICA.

| | |
|------------------------|--|
| Member centricity | We ensure positive customer/ member experience by striving to exceed expectations |
| Integrity | We demonstrate sound moral and ethical principles in everything we do |
| Professional behaviour | We abide by laws, regulations and policies and refrain from any conduct that would bring SAICA and the profession into disrepute |
| Accountability | We accept full responsibility for the outcomes of our actions |
| Respect | We hold SAICA and each other in high regard |
| Transparency | We encourage an open and honest environment |

RESPONSIBLE CORPORATE CITIZENSHIP



The Board ensures that SAICA acts responsibly and is seen to be a good corporate citizen.

Fairness, responsibility, and transparency are integral to SAICA’s brand. We prioritise sustainable business practices, protect the environment, invest in our employees, and actively support community development. The SAICA Board has also approved the appointment of a Sustainability Technical Committee in recognition of the importance of sustainability moving into the future. In contributing to a sustainable future and looking beyond environmental considerations alone, SAICA is aligning its strategy to support the following UN 2030 Sustainable Development Goals:



Refer to pages 71 to 75 to read more about our initiatives that support these SDGs

EMBEDDING SUSTAINABILITY

A key overarching consideration is to maximise the positive impacts and avoid or, at worst, mitigate any negative impacts arising from our business decisions and activities.

The creation of a Sustainability Technical Committee assists in directing SAICA and its members’ activities around the SDGs and enables SAICA to be part of the standard setting process while providing both thought leadership and education in this area which has renewed and urgent focus by the global standard-setters.

This committee supports SAICA in addressing the various current and emerging sustainability aspects such as climate risk, as well as the global developments relating to the development of sustainability reporting standards as it relates to its members.

BEING A RESPONSIBLE CORPORATE CITIZEN

The Board, supported by its six committees (see page 49), oversees and monitors SAICA's activities relating to our broader societal contributions and our role as a responsible corporate citizen. Progress on these activities is measured as part of the defined KPIs for SAICA.

The Board has a responsibility for ensuring that SAICA is, and is seen to be, a responsible corporate citizen.

As part of its commitment to being a responsible corporate citizen, SAICA has zero tolerance for non-compliance with legislation. The Board delegates to management the responsibility of ensuring compliance with its policies and procedures. Material breaches are reported to the Board who, through the Audit and Risk Committee, approves the establishment and implementation of the company approval framework that gives structure to the delegation of authority.

STRATEGY, PERFORMANCE AND REPORTING

STRATEGY AND PERFORMANCE



The Board appreciates that SAICA's value proposition, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.

The Board approves SAICA's strategic direction and purpose after obtaining the input of National Council. It then delegates to management responsibility for formulating strategy implementation in the short, medium and long term.

In pursuit of shaping the future for professional excellence, SAICA undertook a transparent and inclusive strategy formulation journey for its 2024–2028 strategy, characterised by active stakeholder participation. This approach aimed to involve our valued stakeholders more substantially in shaping our strategic direction.

FORMULATION OF THE 2024–2028 SAICA STRATEGY

The development of the 2024–2028 SAICA strategy was underpinned by a comprehensive environmental scan encompassing both external and internal dimensions. Recognising that organisations exist within dynamic contexts, we conducted a macro-environmental PESTEL analysis, global and South African trends analysis, and SWOT analysis to gain a holistic understanding of our operating environment. In this process, we engaged with approximately 34 external stakeholders, while also soliciting input from SAICA employees, Council, and the Board for our internal environmental scan.

Our strategy was also significantly influenced by the Economic Blueprint serving as a guiding framework for the profession and equipping our members, including associates, to make informed economic and business decisions.

During 2023 and the first quarter of 2024, SAICA's management team (MANCO), Board and Council, participated in the strategy formulation process. This collaborative effort considered the multitude of external and internal factors affecting SAICA's operations, coupled with insights from our diverse stakeholders. The outcome of this process was the formulation of SAICA's Vision and Mission as follows:

VISION

SAICA envisions a globally admired and diverse membership body of ethical professionals, driving transformative change and fostering excellence, inclusivity, economic relevance, and sustainability in the accountancy profession and the broader economy.

MISSION

SAICA advances the accountancy profession through robust member support, impactful advocacy, and transformative initiatives. Embracing economic and social relevance as well as sustainability, we champion ethical conduct, actively engage stakeholders, and contribute to positive societal and environmental impact.

These visionary statements provided the foundation for the subsequent translation of our stakeholder insights into strategic themes. These themes, in turn, informed the development of our proposed revised strategic pillars, strategic objectives, and strategic initiatives, all designed to support the effective execution of our strategy.

As we move forward, we remain committed to our four strategic pillars, which are underpinned by 17 strategic objectives and a multitude of strategic initiatives. The Board may opt to review the strategy in 2026.

[Read more about our 2024–2028 strategy on page 66](#)

Successful implementation of strategy through superior operational performance is in the best interest of all stakeholders and is therefore a key responsibility for the Board and management. The Board not only approves SAICA's strategy but also the performance measures and targets by which success is measured.

In approving the strategy, the Board considers risks and opportunities relating to the strategy and its implementation. The Board also satisfies itself that the business model is appropriate to meet SAICA's strategic objectives. At each Board meeting, the CEO reports on progress with respect to implementation and the achievement of strategy objectives. The assessment is addressed at Board and at the Human Resources and Remuneration Committee for the purposes of annual bonus payment to management.

REPORTING



The Board ensures that reports issued by SAICA enable stakeholders to make informed assessments of SAICA's performance, and its short-, medium-, and long-term prospects.

The Board sets the direction, approach and conduct for the reporting of SAICA affairs and performance to stakeholders. This is done during the annual approval of a reporting framework. The Board also ensures that the reporting frameworks comply with all regulatory obligations, which include the principles of King IV™. The Board approved SAICA's integrated report and has satisfied itself with regard to the assurances provided by relevant third parties.

APPOINTMENT AND DELEGATION TO MANAGEMENT



The Board ensures the appointment of, and delegation to management contribute to role clarity and the effective exercise of authority and responsibilities.

DELEGATION OF AUTHORITY

The Board approves and annually reviews SAICA's Delegation of Authority (DOA), which provides clarity of levels of responsibility for decision-making. The framework establishes an appropriate balance for the need to ensure that decisions are taken at appropriate levels, dependent upon the materiality and importance of such decisions, while also empowering management to take appropriate business decisions.

SAICA's DOA covers the following aspects:

- General corporate governance
- Strategy, business plans, budgets and operating parameters
- Investments and business initiatives
- Capital expenditure
- Leases and property-related capital expenditure
- Funding, borrowing, banking and treasury
- Human resources and related issues
- Contractual arrangements

The Board is satisfied that the DOA achieves the objectives of providing clarity on responsibilities and assisting in ensuring an effective delegation of authority and responsibilities.

CHIEF EXECUTIVE OFFICER (CEO)

The CEO is appointed by the Board on a contractual basis, reports to the Chairperson, and is responsible for developing and recommending to the Board a long-term vision and strategy for the strategic development, growth and sustainability of the organisation. In addition, the CEO is responsible for leading executive and operational execution across the organisational business and functional areas.

BOARD SECRETARY

The Board Secretary must provide the Board as a whole, and the individual directors, with guidance regarding their duties, responsibilities and authority. The Board Secretary maintains an arm's length relationship and is not a member of the Board. The independence and performance of the Board Secretary is assessed through the Board and committee evaluation process. Directors have unlimited access to the Board Secretary for advice and services and are satisfied with the arrangements in place for them to access professional corporate governance services from SAICA.

GOVERNANCE OF FUNCTIONAL AREAS

RISK GOVERNANCE



The Board governs risk in a way that supports SAICA in setting and achieving its strategic objectives

The Board is committed to achieving SAICA's strategic objectives in accordance with the recommendations of KingIV™.

SAICA has embedded risk management throughout its business activities and decision-making processes at all levels. The risk appetite and tolerance thresholds establish a common risk terminology for financial risks, compliance risks, sustainability risks, health and safety risks, and business continuity and disaster recovery risks.

Executive management is accountable to the Audit and Risk Committee for designing, implementing and monitoring the systems and processes that underpin risk management. See Risk Management report on page 43.

INFORMATION AND TECHNOLOGY GOVERNANCE



The Board governs technology and information in a way that supports SAICA setting and achieving its strategic objectives.

The Board is responsible for ensuring appropriate governance of SAICA's IT systems to support the achievement of the strategic objectives of SAICA. The Digital Transformation and Governance Committee monitors SAICA's technology and information initiatives

and programmes on behalf of the Board. The committee submits reports to the Board on a regular basis.

See digitisation report on page 100.

COMPLIANCE GOVERNANCE



The Board governs compliance with applicable laws and adopted non-binding rules, codes and standards in a way that supports SAICA being ethical and a good corporate citizen.

The Board sets the standards that ensure compliance in all areas of the business with relevant laws, regulations, codes and policies. There is zero tolerance for breaches of legislation, and material breaches are reported to the Board directly, or through committee structures. The Board has delegated compliance oversight to the Audit and Risk Committee.

REMUNERATION GOVERNANCE



The Board ensures that SAICA remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.

GOVERNANCE OF REMUNERATION MATTERS

Governance of fair, responsible and transparent remuneration falls under the scope of the Human Capital management division, with oversight by the

Human Resources and Remuneration Committee, which in turn advises the Board. SAICA has a HR and Remuneration Policy that articulates SAICA's direction on fair, transparent and responsible remuneration so as to enable organisational performance and sustainability. Non-executive director remuneration is approved at the AGM.

The Human Resources and Remuneration Committee engages independent remuneration service consultants to review and benchmark remuneration levels of both the NED and Exco members on a regular basis. The organisation similarly conducts benchmarking of employee remuneration.

The Board, through the Human Resources and Remuneration Committee, sets the policy, direction and approach for remuneration. The remuneration policy and implementation report are outlined in the remuneration report on page 109.

SAICA's Board sets short-term targets and initiatives for the year ahead in the annual balanced scorecard that supports delivery on the strategic pillars, either directly or by enhancing the Institute's operational efficiency. At the end of the year, executive management collates the performance against the balanced scorecard targets.

See pages 106 to 107 for details of performance against the balanced scorecard. The final scores are assured by the Human Resources and Remuneration Committee and approved by the Board.

ASSURANCE



The Board ensures that assurance services and functions enable an effective control environment and that these support the integrity of information for internal decision-making and of SAICA's external reports.

The Board acknowledges that it cannot operate effectively without confidence in the information placed before it. It has delegated responsibility for the oversight of direct assurance services and functions to the Audit and Risk Committee, which ensures that an effective internal control environment exists to provide integrity of information used in decision-making.

The committee also ensures that a combined assurance model is in place to cover significant risks and material matters through the use of internal and external assurance providers. The committee is satisfied with the status of the effectiveness of the models in respect of financial and non-financial risks and controls.

The Board has also delegated the oversight of the internal audit function to the Audit and Risk Committee. The internal audit function operates under a charter that is reviewed annually. The internal audit manager has a direct reporting line to the Chairperson of the Audit and Risk Committee, in addition to his/her reporting responsibilities to the finance function.

Refer to risk and opportunity management on page 43 and to the Audit and Risk Committee report on page 115.

STAKEHOLDERS



In the execution of its governance role and responsibilities, the Board adopts a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interest of SAICA over time.

STAKEHOLDER MANAGEMENT

The Board considers the legitimate interests of all stakeholders in discharging its duties and when acting in the best interest of SAICA.

True participation of stakeholders in decision-making and consequent activities is particularly critical to SAICA's value creation. It is in this context that we continue to engage our stakeholders through a multi-stakeholder engagement approach. SAICA has adopted the corporate governance principles and the majority of the recommended practices of the King IV™ Report on Corporate Governance for South Africa 2016 (King IV™), and in terms thereof SAICA's Board has approved a policy that articulates and gives effect to its direction on stakeholder relationships.

The objectives of this policy are to strengthen and maintain relationships with our stakeholders; to identify the opportunities and threats arising from stakeholders' material issues; to assist with strategic sustainable decision-making; and to foster a stakeholder-inclusive approach in executing SAICA's strategy.

Through our stakeholder engagement processes, SAICA is committed to understanding and being responsive to the interests and expectations of stakeholders. SAICA's stakeholder engagement report is tabled quarterly at the Social, Ethics and Transformation Committee.

Refer to Stakeholder Engagement on page 76.

BOARD COMMITTEE FOCUS FOR 2023 AND OUTLOOK FOR THE YEAR AHEAD

COMMITTEES OF THE BOARD



The Board ensures that its arrangements for delegation within its own structures promote independent judgement and assists with the balance of power and the effective discharge of duties.

BOARD COMMITTEES

In terms of the constitution, paragraph 6.7.3, the Board has the power to make any decision in respect of the affairs of the Institute which has not been reserved for decision by the members. The Board is also empowered to constitute Board and other committees and to delegate powers to such committees. The following are the current Board committees with delegated authority from the Board. The authority of each committee is set out in formal terms of reference which are reviewed and approved annually by the Board.

To support it in its broader oversight and governance role, the Board has six standing committees through which it executes some of its duties, namely:

- The Audit and Risk Committee
- The Digital Transformation Governance Committee
- The Nominations and Governance Committee
- The Human Resources and Remuneration Committee
- The Social, Ethics and Transformation Committee
- The Education and Assessment Committee

See Board committee reports on pages 58 to 63.

THE DISCIPLINARY PANEL

In addition to the Board committees set out above, the Board must appoint a Disciplinary Panel annually from which the members of the Professional Conduct Committee and the Disciplinary Committee are appointed. These disciplinary committees have the powers to carry out the duties and exercise the functions granted to them under the by-laws. The powers and duties of the Professional Conduct Committee and the Disciplinary Committee referred to in the by-laws (paragraph 7) are deemed to have been delegated to those committees by the Board.

THE PROFESSIONAL CONDUCT COMMITTEE (PCC)

PCCs, as and when required, shall be appointed from members of the Disciplinary Panel who have declared that they have no conflict of interest. A PCC must consist of two members in the case of advisory matters and of three in any other matter. The functions of the PCC are set out in paragraph 7 of the Disciplinary Code.

THE DISCIPLINARY COMMITTEE (DC)

DC, as and when required, shall be appointed from the members of the disciplinary panel who have declared that they have no conflict of interest in the matter at hand and must consists of three members, of whom the Chairperson must be a lawyer. The functions of the DC are set out in paragraph 7 of the Disciplinary Code.

THE AD HOC TAX PRACTITIONERS COMMITTEE (TPC)

The Board appointed an ad hoc Committee of Inquiry at the meeting held on 23 November 2022 to deal with the various legal and operational issues related to tax practitioners. The committee completed its work at the end of March 2023 by tabling a proposal on how to best address the back log of disciplinary matters related to late submissions by tax practitioners.

COLLECTIVE SKILLS AND EXPERIENCE

Board committee members are nominated to serve on specific Board sub-committees based on their individual core skills, working experience, track record and time availability. In the case of the Board and each Board sub-committee we seek to ensure the appropriate balance of diverse and complementary expertise and experience.

COMMITTEE MEMBERSHIP

For representation by the various directors on the Board committees see Board committee reports from pages 58 to 63.

BOARD COMMITTEE REPORTS

Focus 2023 and outlook for the year ahead 2024

AUDIT AND RISK COMMITTEE (ARC)

| CHAIRPERSON | |
|--|-----------------|
| Brenda Tsvetu | |
| Number of meetings during the financial year: Seven | |
| MEMBERS OF COMMITTEE IN THE PERIOD 1 JANUARY 2023 TO 31 DECEMBER 2023 | |
| Brenda Tsvetu – Non-Executive Board Member and Chairperson | 100% Attendance |
| Babalwa Bekwa – Non-Executive Board Member | 100% Attendance |
| Tintswalo Mofokeng – Non-Executive Board Member | 100% Attendance |
| Yongama Madolo – Independent Non-Board Member | 100% Attendance |
| Anusha Teeruth (Naidoo) – Independent Non-Board Member | 100% Attendance |

COMMITTEE PURPOSE AND HOW IT CONTRIBUTES TO VALUE CREATION

The committee provides assistance to the Board of SAICA in discharging its oversight responsibilities and function over SAICA and the SAICA Group. The committee's primary responsibility is to provide oversight of the financial reporting process, the audit process, SAICA's system of internal controls and compliance with laws and regulations. Through this committee, the Board also ensures that the Institute maintains a robust process for identifying, prioritising, managing, mitigating, monitoring and reporting critical risks.

This report from the ARC provides a summary of the Committee's work during the 2023 financial year. It is reported that the ARC has complied with its responsibilities and has covered the scope of the agreed work plan in discharging its responsibilities in line with its approved terms of reference. The ARC

is accountable to the Board and has an oversight function for matters reported below.

The assurance expressed by the ARC is based on the work of different assurance providers such as the external audit performed by Mazars, Internal audit, internal assurance providers provided by the Institute, notably the ones of risk and compliance and the finance unit. The ARC obtains an understanding of the activities and risks associated with the various developments by reviewing management reports and by interacting with various relevant stakeholders.

DECLARATION

The committee met seven times during the year and reports that for the year ended 31 December 2023, it is satisfied that it has fulfilled its responsibilities in accordance with the Companies Act, the Board Charter, the Committee Terms of Reference, King IV™ and other applicable standards and codes. An independent evaluation of the ARC's effectiveness was performed in March 2024 and the Board was satisfied with the outcome.



KEY FOCUS AREAS AND VALUE-CREATING ACTIVITIES FOR THE PERIOD UNDER REVIEW

MEETINGS WITH MANAGEMENT AND THE FINANCE FUNCTION

During 2023, the ARC met frequently with Management; reviewed the 2023 annual budget and recommended to the Board the approval of the 2023 annual budget.

The ARC conducted an evaluation of the performance of the Chief Financial Officer and finance function and has identified areas requiring improvement. Implementation of initiatives to address these will be monitored by the committee during the 2024 financial year.

EXTERNAL AUDITORS

Following the expiration of their previous contract, Mazars underwent a tender process and were

subsequently selected as the external auditors for a duration of 5 years starting from 2022. In 2023, the audit partner was rotated in accordance with Mazars’ internal rotation policies.

The ARC held discussions with the external auditors throughout the year, to keep the ARC briefed on the audit progress and all audit and accounting issues. The ARC conducted a private interview with external auditors before giving its clearance on the various financial statements. The ARC received assurances that the audit process went as planned, with full support from SAICA management.

The ARC regularly assesses the external auditor’s independence, including the absence of conflicts of interests and is satisfied with the independence and objectivity of the external auditors. The ARC reviewed the annual audit plan and considered the scope and fees to be paid to the auditors. There were no non-audit services provided by the external auditors during 2023.

The ARC conducted an evaluation of external audit’s performance and is satisfied with its outcome.

INTERNAL AUDIT

The internal audit unit is an independent outsourced function of SAICA with a direct reporting line to the ARC. The internal audit coverage plan for 2023 was approved and implemented. The ARC took note of the outcome of the internal audit performance evaluation, together with key conclusions and recommendations raised. The committee also monitored the status of implementation of internal audit action plan.

Internal audit performed additional reviews in the year under review within the set limits and the scope of work and the fee was approved by the ARC.

The ARC conducted an evaluation of internal audits’ performance for 2023 and is satisfied with its outcome.

COMBINED ASSURANCE, RISK AND COMPLIANCE MANAGEMENT

The ARC addressed various aspects of risk management and regularly reviewed SAICA’s risk and combined assurance activities. SAICA received an opinion of “Satisfactory” i.e. controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed and objectives should be met on risk management as expressed by the internal auditors. The ARC oversaw the implementation of the action plans arising from SAICA’s Enterprise Risk Management (ERM) maturity assessment. SNG independently assessed the ERM maturity level for 2022 and suggested plans

for enhancement. By 2023, SAICA’s ERM maturity had progressed to a level 4 (Proactive) maturity, an improvement from the level 3 (Foundation) maturity status it held in 2022.

The ARC further received assurance from the Board sub-committees on the effectiveness of the risk management processes relevant to their portfolios.

The ARC monitored the mitigation of control weaknesses and levels of non-compliance and was satisfied that the material compliance matters are adequately monitored and addressed. The ARC was also updated on SAICA’s Group approach to regulatory developments and tax compliance. In addition, the ARC considered the process for the whistleblowing reporting which is under the custody of the risk and compliance unit and obtained the unit’s assurance that all reported matters have been adequately addressed with the assurance for material matters. Matters reported through the whistleblowing process in the scope of the Board and its sub-committees are referred for investigation.

The ARC conducted an evaluation of the performance of the risk and compliance function, and was satisfied with its outcome.

ANNUAL FINANCIAL STATEMENTS

The ARC examined SAICA’s 2023 financial statements, prepared in accordance with the International Financial Reporting Standards (IFRS) and has discussed with the external auditors, in the presence of SAICA’s management and in private, in order to obtain an understanding of the audit procedures applied.

Based on the work undertaken and the information received (including the opinion from the external auditor on the separate and consolidated financial statements and a representation letter from the management of SAICA), the ARC confirms that the separate and consolidated financial statements of SAICA, presents a true and fair view of the financial position of SAICA as of 31 December 2023, in accordance with IFRS. On this basis, the ARC recommended the group financial statements of SAICA to the SAICA Board of Directors of which the Board has approved the submission of the SAICA separate and consolidated financial statements to the members of SAICA on 29 April 2024.

ARC concurs and accepts the conclusions of the external auditor on the annual financial statements and is of the opinion that the audited separate and consolidated financial statements be accepted and read together with the report of the external auditors.

INTEGRATED REPORT

The committee reviewed the content of the integrated report ensuring it is presented in accordance with the Integrated Reporting Framework and recommended it for approval to the Board. An independent limited assurance on the review of the SAICA’s Annual Integrated Report was provided by the external auditors.

The Board approved the submission of the SAICA Annual Integrated Report on 29 April 2024, for approval by members at the Annual General Meeting on 31 May 2024.

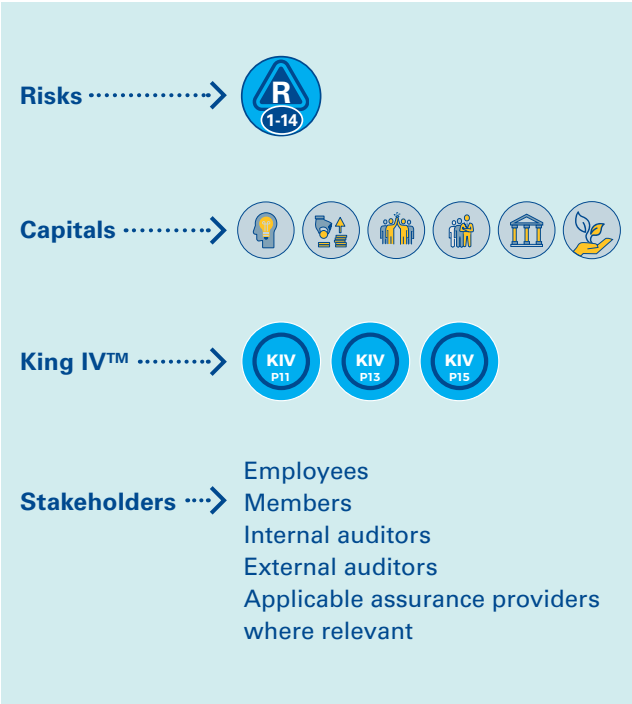
FUTURE FOCUS AREAS 2024

During 2024 the ARC will continue with the execution of its mandate as set out in its current terms of reference and will continue to focus closely on the enhancement of SAICA Group’s internal control and risk management culture and environment.

The ARC will continue to ensure that a risk based combined assurance approach is embedded across SAICA.

The committee’s focus will be on enhancing the Group’s Internal Control framework within SAICA and on elevating the 2023 internal audit control environment opinion from “Some Improvement

Required.” This will encompass ensuring the adequacy of skill sets and the resourcing of the finance function, as well as the comprehensive enhancement of the financial control environment.



Ms Brenda Tsvetu
Chairperson: Audit and Risk Committee



SOCIAL, ETHICS AND TRANSFORMATION COMMITTEE (SETCO)

COMMITTEE PURPOSE AND HOW IT CONTRIBUTES TO VALUE CREATION

The committee's main responsibility is to support the Board in carrying out its independent oversight duties with regard to matters of safety, security, health, the environment, society, ethics, transformation, and sustainable development, as well as stakeholder relations. It also ensures that the Institute upholds good corporate citizenship principles and conducts its operations in an ethical and sustainable manner.

| CHAIRPERSON | |
|--|--------------------|
| Johan du Toit SC (until 25 May 2023) Yasmin Forbes (from 1 June 2023) | |
| MEMBERS OF COMMITTEE IN THE PERIOD 1 JANUARY 2023 TO 31 DECEMBER 2023 | |
| Johan du Toit SC (until 25 May 2023) | 100% Attendance |
| Jacobus Swanepoel (until 25 May 2023) | 100% Attendance |
| Yasmin Forbes (from 1 June 2023) | 100% Attendance |
| Cyril Madiba (from 26 May 2022) | 100% Attendance |
| Alice le Roux (from 1 June 2023) | 100% Attendance |

DECLARATION

The committee met four times and reports that for the year ended 31 December 2023, it is satisfied that it has fulfilled its responsibilities in accordance with the Companies Act, the Board Charter, the Committee Terms of Reference, King IV™ and other applicable standards and codes.



KEY FOCUS AREAS AND VALUE-CREATING ACTIVITIES FOR THE PERIOD UNDER REVIEW

REGULATIONS

- The committee considered the following constitution and by-law amendments to the Board:**
- The amendments to clause 13.11 of the SAICA constitution to be approved at the AGM in 2024
 - SAICA by-law – resignation procedure
 - The delegation of certain disciplinary functions to the Designated Disciplinary Officer through amendments to the SAICA constitution and SAICA by-laws
 - SAICA Code of Professional Conduct alignment with ISA 600

DISCIPLINARY

Update on by-law amendments to the disciplinary code. To increase case management effectiveness, the disciplinary case management system was put in place.

TAX PRACTITIONERS COMMITTEE

Addressed complaints from tax practitioners and general CPD compliance. Examined further resources for the disciplinary unit and expanded the Professional Conduct Committee's (PCC) authority to examine situations in which a punishment was imposed for minor, one-time offences, and where appropriate, revise the SAICA Disciplinary Code (Appendix 4 of the by-laws).

EMPLOYEE RELATIONS

Employee relations (previously referred to as labour relations), has shown a decrease in terms of the number of incidents from 2022 to 2023, which is commendable. The committee has satisfied itself that the employment relations environment is sound and that adherence to the United Nations Global Compact principles on human rights and labour was ensured.

ETHICS MANAGEMENT

Raising awareness and expanding training were prioritised. Advocacy and thought leadership demonstrated through submissions of articles and well-attended seminars and events. Code compliance ensured in addition to the strengthening of Integrated Ethics Plan reporting structures.

SUSTAINABILITY – UPDATE ON PROGRESS

- Navigation of sustainability reporting landscape, determine the state of readiness to adopt International Sustainability Standard's board IFRS sustainability disclosure standards, prioritising net zero project
- SAICA Climate Change Conference with representation by Presidential Commission on Climate Change and agenda for COP29

Management reported regularly on SAICA's standing in terms of the principles set out in the United Global Compact principles relating to:

- Good Corporate Citizenship
- Management of Ethics that is both effective and consistent, with updates provided by the Integrated Ethic Progress Report
- Employment Equity in terms of Labour and Employment
- Broad-Based Black Economic Empowerment Programme relating to transformation in skills and supplier development
- The Organisation for Economic Co-operation and Development (OECD) principles regarding corruption
 - Monitoring and implementation of anti-corruption plan
 - Implementation and review ethics policy and fraud prevention policy
 - Ongoing leadership intent programme – whistleblowing measures remain in place

MEMBER ENGAGEMENT

An increase in both formal and informal sessions with members. An emphasis on streamlining the admissions process. Engagements with all stakeholders (IRBA and Small Audit Practices). Within the Practice Portfolio, the launch of podcasts SMEs and publication of Manage your Practice series in *Accountancy SA*.

B-BBEE

Achieved Level 2 B-BBEE verification. Resulted in the requirement to focus on and uphold consistency in areas such as preferential procurement, enterprise development, and sub-economic development components.

TRUST RESTORATION

Monitoring of progress of Integrated Ethics Plan. Audit Reform Project supported the necessity for management to develop a proof-of-concept for establishing the Centre for Audit Quality (CAQ), with a focus on processes and timelines.

Financial Intelligence Centre (FIC) focus on the development of anti-money laundering legislation and

guidance, and monitoring the impact thereof on members and associates. Address greylisting, broadening scope of accountable institutions, and changes to applicable laws (see Standards on page 91 to 95).



FUTURE FOCUS AREAS 2024

DISCIPLINARY

- Adoption and management of proposed changes and processes
- Improve the effectiveness of disciplinary case handling

AUDIT REFORM

- Finalisation of the Centre for Audit Quality (CAQ) concept and its implementation
- Continuation of initiatives addressing the impact of digital transformation on auditing; narrowing the expectation gap on fraud; promoting the attractiveness of the auditing profession; and focusing on the wider financial reporting ecosystem

SUSTAINABILITY

- Adoption of sustainability reporting standards in SA – roundtable engagement and Direction South Africa view and position
- Track progress on Climate Change Bill and manage initiatives managing carbon emissions

MEMBER ENGAGEMENT

- Focus on billing survey outcomes, new and black-owned practices and creation of member-centric communities, trainee competency assessments
- Impact of Less Complex Entities Standards
- Optimising member engagement touchpoints
- Addressing booking system

INTEGRATED ETHICS PLAN (IEP)

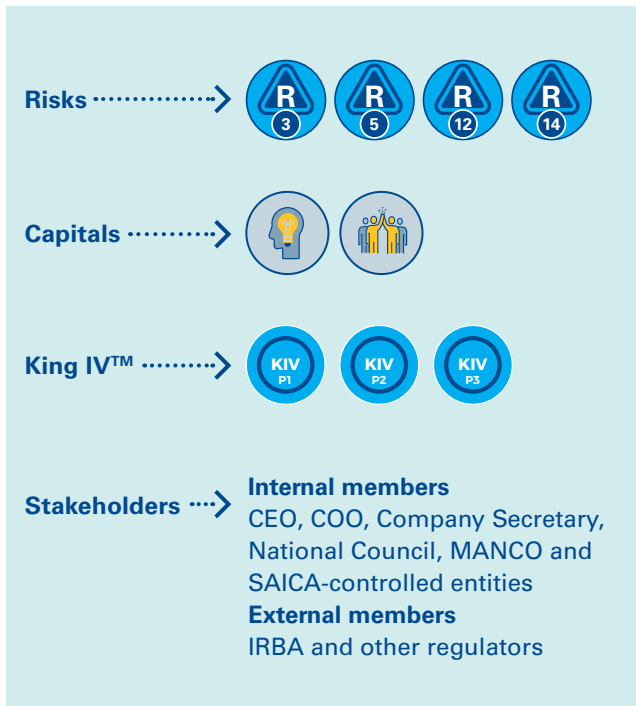
Continue emphasis on member support, advocacy and thought leadership.

REGULATIONS

Monitor the implementation of the changes in the constitution and by-laws outlined above.

B-BBEE

Maintaining consistency and focusing on areas like sub-economic development factors, enterprise growth, and preferential procurement.



Ms Yasmin Forbes

Chairperson: Social, Ethics and Transformation Committee



DECLARATION

The committee reports that for the year ended 31 December 2023, it is satisfied that it has fulfilled its responsibilities in accordance with the Companies Act, the Board Charter, the Committee Terms of Reference, King IV™ and other applicable standards and codes.



KEY FOCUS AREAS AND VALUE-CREATING ACTIVITIES FOR THE PERIOD UNDER REVIEW

- Remuneration and Reward Policy review
- Annual salary review and short-term incentive payment and recommendation to Board for approval
- Oversight on HC Strategy implementation (employee engagement, enablement, and experience)
- Review Human Capital Policy universe

Refer to page 84 for additional information on human capital management.

For additional information on remuneration refer to page 109.



Ms Thandi Thankge

Chairperson: Human Resources and Remuneration Committee

HUMAN RESOURCES AND REMUNERATION COMMITTEE (HR & REMCO)

COMMITTEE PURPOSE AND HOW IT CONTRIBUTES TO VALUE CREATION

The committee's main responsibility is to support the Board in providing independent oversight of:

- Recommending to the Board for approval a developed strategy and supporting policies for the acquisition, management, retention, and fair and responsible remuneration of human capital in compliance with legal requirements, governance standards, and industry best practices.
- Overseeing the overall governance of human capital management; to define and manage SAICA's remuneration and reward policy framework and strategy; and to provide the Board with assurances in these areas.

| CHAIRPERSON | |
|--|-----------------|
| Yasmin Forbes (until 6 June 2023) Thandi Thankge (from 25 May 2023) | |
| All HR & REMCO members were impacted by the SAICA Board member rotation at the SAICA AGM on 25 May 2023, leading to a newly elected member replacing the Chairperson of the HR & REMCO | |
| MEMBERS OF COMMITTEE IN THE PERIOD 1 JANUARY 2023 TO 31 DECEMBER 2023 | |
| Yasmin Forbes* – Chair (Until 6 June 2023) | 100% Attendance |
| Tintswalo Mofokeng | 100% Attendance |
| Dheren Singh | 100% Attendance |
| Thandi Thankge** – Chair (25 May 2023) | 100% Attendance |
| *HR & REMCO Chair | |
| ** Joined HR & REMCO (Chair) | |



FUTURE FOCUS AREAS 2024

- Remuneration and reward policy and outcomes that support SAICA's strategic objectives
- Annual salary review and short-term incentive payment and recommendation to the Board for approval
- SAICA 2024 – 2028 strategy (participation and contribution)
- SAICA's Balanced Scorecard for 2024 and recommendation to the Board for approval
- Oversight on HC Strategy implementation, in particular:
 - Organisational Review Project
 - Human capital automation
 - Talent management including succession planning
 - Transformation, diversity and inclusion
- Oversight of the strategic interventions in response to the outcomes of the employee engagement survey



EDUCATION AND ASSESSMENT COMMITTEE (EAC)

COMMITTEE PURPOSE AND HOW IT CONTRIBUTES TO VALUE CREATION

The committee's main responsibility entails assisting the Board in providing independent oversight of:

- Growth of the SAICA membership base through quality education and assessment of potential members
- The quality, efficiency and integrity of the Institute's education and assessments

- Considered APC and ITC results to understand differential racial pass rates
- Approved the implementation of the Initial Assessment of Competence from 2025 in alignment with the competency framework of the CA of the Future
- Monitored the implementation of the restructuring of Initial Professional Development (IPD)
- Unisa accreditation

FUTURE FOCUS AREAS 2024


Monitor further implementation of the CA of the Future competency framework:

- Review the terms of reference of the EAC to incorporate all changes of IPD and other aspects
- Monitor accreditation of higher education institutions
- Revisit the total value chain of the Nation Building Division
- Contribute to the future strategy of the Nation Building Division


| CHAIRPERSON | |
|---|-----------------|
| Jacobus Swanepoel | |
| MEMBERS OF COMMITTEE IN THE PERIOD 1 JANUARY 2023 TO 31 DECEMBER 2023 | |
| Jacobus Swanepoel | 100% Attendance |
| Brenda Tsvetu (until May 2023) | 100% Attendance |
| Alice le Roux | 100% Attendance |
| Thandi Clarah Thankge (from May 2023) | 100% Attendance |


DECLARATION


The committee met three times and reports that for the year ended 31 December 2023, it is satisfied that it has fulfilled its responsibilities in accordance with the Companies Act, the Board Charter, the Committee Terms of Reference, King IV™ and other applicable standards and codes.

KEY FOCUS AREAS AND VALUE-CREATING ACTIVITIES FOR THE PERIOD UNDER REVIEW

- Reviewed changes to the CPD policy which now provide clarity on who are considered professionally active and introduced an age threshold for CPD compliance

Risks>

Capitals>

King IV™>

Stakeholders> Students, learners and educators, academia, trainees, training offices

Mr Jacobus Swanepoel
Chairperson: Education and Assessment Committee

NOMINATIONS AND GOVERNANCE COMMITTEE (NOMGOV)


COMMITTEE PURPOSE AND HOW IT CONTRIBUTES TO VALUE CREATION

The committee's main responsibility entails assisting the Board in fulfilling its responsibility to the members and associates of the Institute and the stakeholders by monitoring and recommending corporate governance principles that apply to the Institute to the Board and reviewing the membership and performance of the Board and other governing bodies and structures.

| CHAIRPERSON | |
|---|-----------------|
| Vincent Mtholo | |
| MEMBERS OF COMMITTEE IN THE PERIOD 1 JANUARY 2023 TO 31 DECEMBER 2023 | |
| Vincent Mtholo | 100% Attendance |
| Jacobus Swanepoel | 100% Attendance |
| Yasmin Forbes (from May 2023) | 100% Attendance |
| Johan du Toit (until May 2023) | 100% Attendance |

DECLARATION

The committee reports that for the year ended 31 December 2023, it is satisfied that it has fulfilled its responsibilities in accordance with the Companies Act, the Board Charter, the Committee Terms of Reference, King IV™ and other applicable standards and codes, as well as SAICA's Governance Framework for SAICA and its controlled entities.

KEY FOCUS AREAS AND VALUE-CREATING ACTIVITIES FOR THE PERIOD UNDER REVIEW

In the year under review, the committee successfully fulfilled its responsibility to oversee Board and CEO succession planning for the SAICA Board.

BOARD SUCCESSION

- **Comprehensive assessment** – Conducted a thorough analysis of Board demographics and skill requirements
- **Workplan implementation** – Initiated and executed a plan to appoint three new Board members following the 2023 rotation
- **Successful appointments** – Filled all three Board vacancies at the May 2023 AGM
- **Committee vacancies addressed** – Assessed and proposed filling committee vacancies to the Board
- **Effective onboarding** – Ensured new members participated in a well-structured induction programme


CEO SUCCESSION

The committee successfully filled the CEO position with the appointment of Ms Patricia Stock.

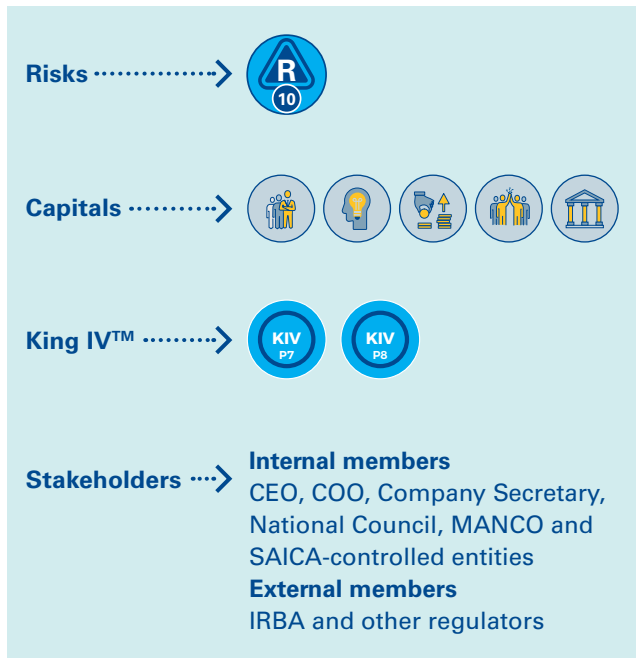
ADDITIONAL GOVERNANCE ACTIVITIES

- **Framework review** – Reviewed and updated the SAICA Governance Framework
- **Regional council charters** – Reviewed and revised the SAICA regional council charters
- **NOMGOV terms of reference** – Conducted an annual review of the NOMGOV terms of reference
- **Policy universe review** – Reviewed and updated the SAICA policy universe
- **Committee appointments** – Proposed various appointments to SAICA prescribed committees and the Disciplinary Panel
- **Board evaluation** – Managed the annual Board evaluation programme

Overall, the committee effectively fulfilled its mandate, ensuring a smooth and well-planned leadership succession process for SAICA.

OVERSIGHT FUTURE FOCUS AREAS 2024

- Consider Board succession planning
- Oversee implementation of governance review committee recommendations
- Oversee the development of the project plan to address matters that will enhance the Board's work following Board evaluations
- CEO performance review



Mr Vincent Mtholo
Chairperson: Nominations and Governance Committee



DIGITAL TRANSFORMATION GOVERNANCE COMMITTEE (DTGC)

COMMITTEE PURPOSE AND HOW IT CONTRIBUTES TO VALUE CREATION

The committee's main responsibility entails assisting the Board in providing independent oversight of SAICA's strategic direction and investment in digital transformation and technology. The committee also ensures effective planning, development, implementation, and monitoring and maintenance of the overall IT policies, processes, people, and technical assets of the digital transformation strategy including, but not limited to, applications, integration, business process re-engineering, organisational change, and business model revamp. It also oversees building and recruiting digital capabilities (both human and computerised) to facilitate the achievement of SAICA's strategic objectives.

Key initiatives include the transformation of how members experience and engage with SAICA digitally, legacy systems eradication, and improved internal processes to ensure that members' needs are attended to speedily.

| CHAIRPERSON | |
|--|-----------------|
| Babalwa Bekwa | |
| MEMBERS OF COMMITTEE IN THE PERIOD 1 JANUARY 2023 TO 31 DECEMBER 2023 | |
| Babalwa Bekwa | 100% Attendance |
| Dheren Singh | 100% Attendance |
| Cyril Madiba | 100% Attendance |

DECLARATION

The committee met four times and reports that for the year ended 31 December 2023, it is satisfied that it has fulfilled its responsibilities in accordance with the Companies Act, the Board Charter, the Committee Terms of Reference, King IV™ and other applicable standards and codes.

KEY FOCUS AREAS AND VALUE-CREATING ACTIVITIES FOR THE PERIOD UNDER REVIEW

The SAICA digital transformation programme is progressing well with the end in sight.

The digital transformation programme at SAICA is essential for implementing the overall strategy. Despite challenges with the Ushintsho programme implementation partners and after a revision of the scope of work, the project is on track and Stage 2 of Ushintsho was delivered successfully with minor challenges which have been addressed. In addition to Ushintsho, the following digital initiatives were successfully completed in the 2023 financial year:

- Member Compliance Business Rescue Practitioners Declaration
- SAICA website initiatives (exam booking)
- Electronic Assessment Tool Phase 2
- Human Capital Management System Tool
- Asset Management System
- Thuthuka Student Tracking System

FUTURE FOCUS AREAS 2024

The committee's 2024 focus will be on the oversight of:

Legacy eradication and implementation of the Digital Transformation programme

In 2024, SAICA will be able to decommission the application and infrastructure layers on iMIS. The removal of these end-of-life assets from the SAICA landscape will also lower the SAICA risk profile in this regard. Ushintsho Stage 3 will also bring about other applications being removed from the landscape and will ensure the total cost of ownership is lowered and optimised for SAICA.

In terms of member value, the functionality planned for 2024 promises to finally conclude the digitisation heavy-lifting and set SAICA up for continued digital agility. Here is the planned functionality that members can look forward to with the final instalment of Ushintsho Stage 3:

- Enhanced learning and development eco-system (Training and Education)
- Ability for prospective members to complete online membership applications
- Prospective Thuthuka Bursary Fund applicants will have an end-to-end online-based application platform
- Interactive, online-based platform for Thuthuka bursars to access donation information
- Improved Enterprise and Supplier Development,

- Socio-economic Development and SMME Development service offering will enhance members' economic and B-BBEE points
- Updating of member data will ensure that SAICA designs products suited for members based on accurate data

Member processes will be enhanced and simplified to ensure that members have a wonderful experience when using SAICA applications and systems.

Cybersecurity and vulnerability management

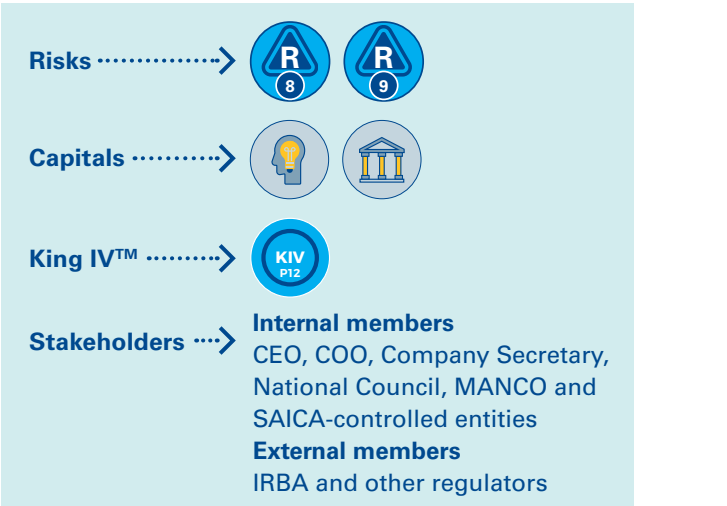
The monitoring of SAICA's digital assets, user awareness and maturity are improving monthly with the mature processes and systems that SAICA invested in at the start of the SAICA Digital Transformation journey. There has been an improvement on the SAICA Security Maturity score from 3,65 to 4,39.

The implementation of the initiatives from the 2024–2028 SAICA strategy which are expected to include:

Member Experience, Employee Experience, Embracing Artificial Intelligence, Data Quality Management and Data-Driven Decision Making (Insights/intelligence to inform decisions - Business Intelligence), Online Committee Management and Stakeholder reporting, ERCMS (BCM and Internal Audit), CPD/TP Enhancement, Contract Management System, Education (TCMS re-write, EAT re-write, Education Administration, Evolve CI and Enhancement) and Strategy Management System.

Remediation of the IT general controls weaknesses

The committee noted that the assurance function provided to management and the ARC on the design, adequacy, and effectiveness of certain controls over specific Information Technology (IT) general controls requires improvement. DTGC will focus on monitoring remediation over 2024.



Ms Babalwa Bekwa
Chairperson: Digital Transformation Governance Committee

Meet Craig Wallington CA(SA)
CFO: Paragon Impact
CFO: MotherTree
Difference Maker

INVESTING IN A GREENER PLANET,

THINKING BEYOND PROFIT

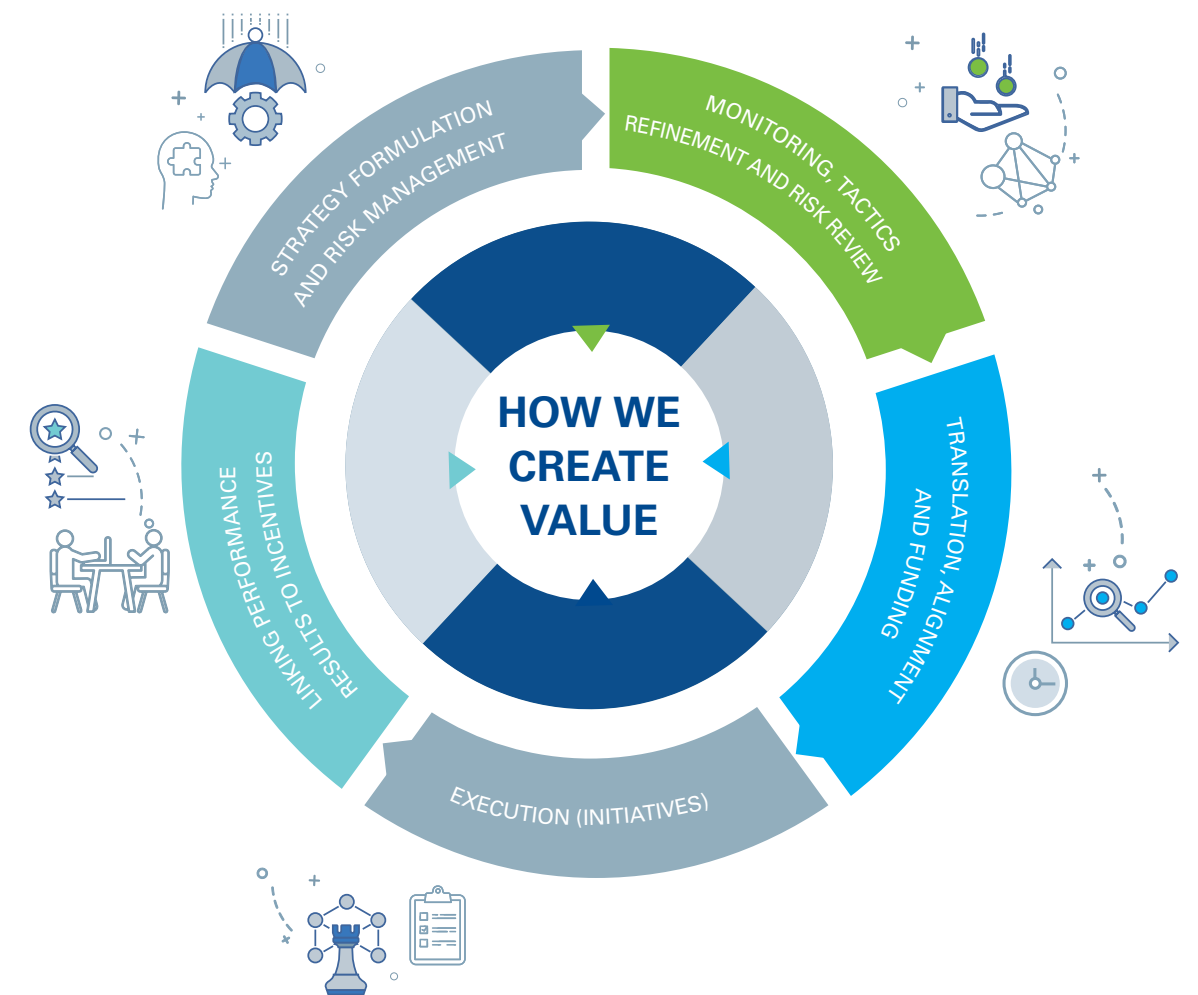
The money we save as investments is being used by major banks to fund oil and gas expansion. These choices inflate our carbon footprint, impacting businesses and biodiversity. Craig Wallington, Top 35-under-35 Influence award winner, is reshaping how we invest in tomorrow. As co-founder and CFO of MotherTree, he aims to shift £1 billion into sustainable initiatives by 2025. At Paragon Impact, where he serves as CFO, Craig leads impactful strategy development. Recognised for his leadership and commitment, Craig exemplifies finance's transformative power for a sustainable future.



OUR STRATEGY AND KEY STRATEGIC FOCUS AREAS

SAICA remained committed in delivering value for its members and society by advancing strategic initiatives while ensuring financial sustainability.

SAICA's strategic management process follows the stages shown below



PROGRESS ON DELIVERING ON THE STRATEGY

The Board-approved strategy adopted in 2021 remained relevant for the reporting period and SAICA has satisfactorily delivered on the defined strategic objectives and initiatives which underpin the four strategic pillars. The existing SAICA strategic pillars (Member Value, Relevance and Reputation, Growth and Transformation and Organisational Sustainability) remained relevant and adequate for the reporting

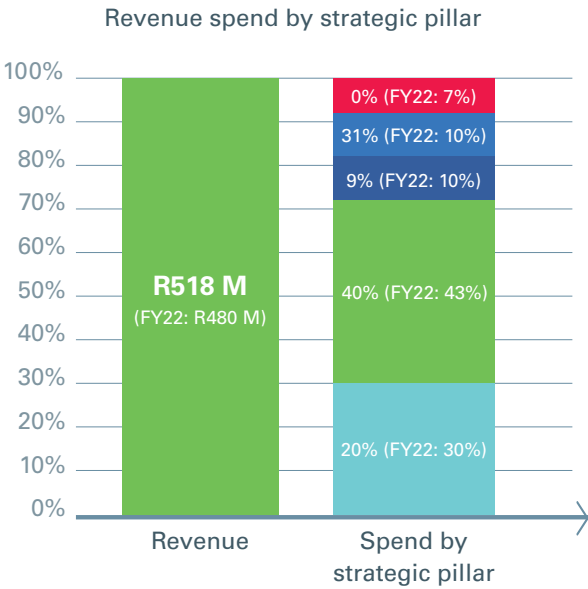
period in supporting the organisation to achieve its 'True North' vision.

These strategic pillars are supported by eight strategic objectives, underpinned by twenty-four strategic initiatives, to achieve these objectives.

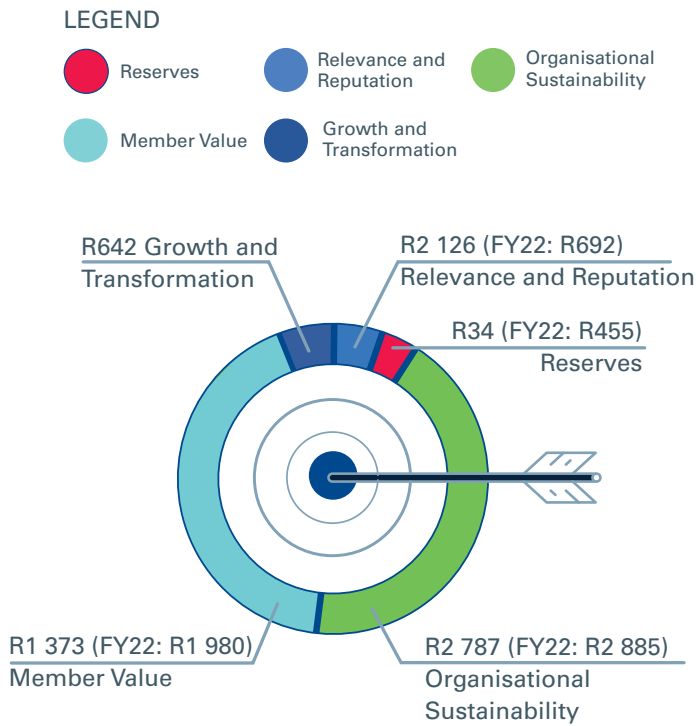
The graphs that follow illustrate resources allocated to each strategic pillar during 2023.

HOW WE CREATE VALUE

RESOURCE ALLOCATION



R6 962 (FY22: R6 662)
MEMBER FEE SPLIT ACROSS STRATEGIC PILLARS AND
RETAINED IN RESERVES AND RETAINED IN RESERVES



PERFORMANCE MEASURES

The strategic pillars and objectives defined in the strategy map are embedded into SAICA's balanced scorecard (see page 106), which sets measures and targets for each initiative.

The organisation is aligned by cascading the strategy down into the business and support unit divisional scorecards. The strategic pillars operate across functions and business units to support successful strategy execution. Individual scorecards are linked to the divisional scorecards to ensure that employees fully understand the strategy and align their day-to-day activities to its priorities. Performance is measured and

monitored at all levels of the organisation. Strategic initiatives are included in the business planning process and budget forecasting to ensure sufficient funding is allocated for effective execution.

MONITORING, REFINEMENT
AND REVIEW

Progress with implementing the strategic initiatives is monitored, reviewed and evaluated to assess their effectiveness and contribution to the strategy. Where necessary, initiatives are modified to improve strategic delivery.

SAICA BOARD

HR & REMCO, ARC and the Board sub-committees review the quarterly CEO report and SAICA's balanced scorecard.

At the end of the year, HR & REMCO and the Board review the SAICA scorecard, divisional balanced scorecards and employee balanced scorecards, and allocate final end-of-year scores. Performance results are linked to incentives by the relevant HR policies.

MANAGEMENT AND EXECUTIVES

The CEO and the Executive Committee meet weekly to discuss progress on, amongst others, strategic initiatives, identify root causes of any performance issues, ensure that the initiatives are still delivering as intended, and identify early-warning indicators for corrective actions where necessary to ensure successful outcomes.

The Management Committee (MANCO) convenes quarterly to review strategic performance using the SAICA scorecard. Feedback is disseminated organisation-wide by the respective executive directors. Integral to strategy execution are risk oversight, monitoring, townhall engagements with staff, and weekly communications from the CEO. These mechanisms identify initiatives veering off course and enable the implementation of corrective management actions to address any shortcomings.

INDIVIDUAL

Individual performance is monitored on a day-to-day basis at the operational level against the employees' KPIs, as they execute strategic initiatives. Formal performance reviews are carried out bi-annually in June and December.

SHAPING STRATEGY 2024–2028

SAICA initiated its strategy formulation for the period 2024–2028 inviting input from all stakeholders for the first time. This inclusive process ensures that the strategic objectives of the organisation are collectively identified and formulated, marking a pivotal step in shaping the organisation's future direction.

The development of the 2024–2028 SAICA strategy was grounded in a thorough environmental analysis encompassing both external and internal dimensions. Understanding the dynamic contexts within which organisations operate, we conducted a comprehensive macro-environmental PESTEL analysis, global and South African trends analysis, and SWOT analysis to gain a comprehensive understanding of our operating environment. This process involved engagement with approximately 34 external stakeholders alongside soliciting input from SAICA employees, Council and the Board for our internal environmental scan.

Furthermore, our strategy was significantly influenced by the Economic Blueprint, serving as a guiding framework for the profession and empowering our members, including associates, to make informed economic and business decisions.









In July 2023, SAICA's management team and the Board participated in a strategic planning session collaborating to consider the multitude of external and internal factors affecting SAICA's operations, drawing insights from our diverse stakeholders.

At the heart of the 2024–2028 SAICA strategy lies our continued steadfast commitment to enhancing the public interest. This is evident through prioritised initiatives and activities that contribute to the well-being of the broader community and society. This commitment encompasses fostering ethical behaviour, promoting transparency, and ensuring accountability within the accountancy profession to uphold the public trust. Additionally, we intend to further strive towards initiatives that bolster the economic well-being of the public, advocate for sustainable business practices, and actively engage with stakeholders to address broader societal challenges. Ultimately, enhancing public interest entails that we align our goals and actions with the broader interests and welfare of the public we serve.







“In navigating the ever-evolving landscape of professional excellence and shaping SAICA's future strategy it is imperative to acknowledge and adapt to the dynamic global and local trends that will influence the accounting and auditing industry.”

SAICA 2021–2023 STRATEGY










SAICA's strategic intent is supported by four strategic pillars. The identified strategic pillars are supported by eight strategic objectives and each objective is underpinned by strategic initiatives to ensure execution and to close the gap between a measure's performance and its target. 24 strategic initiatives were identified to drive the execution of SAICA's strategy.

| STRATEGIC PILLAR | STRATEGIC OBJECTIVE | STRATEGIC OUTCOME | 2023 STRATEGIC INITIATIVES AND STATUS | IMPACT |
|---|---|---|--|--|
| <div> MEMBER VALUE</div> | | | | |
| <p>Improving member value is central to SAICA's success, and offerings should cater to all members. We need to understand what members want and clarify membership benefits/value propositions to address those needs effectively</p> <p>SAICA ensures that members are agile and resilient by considering how to achieve SAICA goals through its membership base</p> | <p>Deliver member value by promoting the premiership status of the CA(SA) designation and enhancing the member value proposition</p> | <p>Strong brand – To ensure that the profession has business value, it is admired and that SAICA is a reputable organisation that drives well-respected brands (CA(SA), AGA(SA), AT(SA)). All members understand and buy into the need and relevance of belonging to a professional body</p> <p>Competency – Developing a shared set of professional competencies</p> | <p>1 Implement the Learning and Development platform – Launch of LMS: eVolve</p> <p>2 Revamp the SAICA website – The website has increased search engine optimisation and the old site has been shut down</p> <p>3 Member reach and member profiling initiatives – Increased networking events locally and abroad, engagements and focus groups to understand member experience, strengthening the practices portfolio and profiling members through the Audit Reform initiative</p> | <div><p>Capitals</p><div></div><p>Material Matters</p><div></div></div> |
| | <p>Promote the common interest and professional competence of members and associates, nationally and internationally</p> | <p>Professional competence is knowledge, skills, attitudes and values. These competencies include:</p> <ul style="list-style-type: none">Professional skills and values (ethics, lifelong learning, citizenship)Enabling competencies (decision-making, business acumen, digital acumen, relational acumen)Technical competencies | <p>4 Implement the Pathways to Relevance Framework – Stakeholders appreciate the strong competencies and objectives of this initiative. However, the need for updated training post-implementation is required to address emerging issues and their resolutions. The time being spent on the EAT is still excessive and the process needs to be streamlined</p> <p>5 Stakeholders’ engagement initiatives – Stakeholder engagement and collaboration continue to increase. Stakeholder engagement score increased from 67,40% in 2022 to 72,15% in 2023</p> <p>6 Member engagement activities and support – Member engagement activities and support continue through digital publications, webinars, CEO roadshows, and new member induction</p> | |
| OUTLOOK FOR THE FUTURE MEDIUM TO LONG TERM | <ul style="list-style-type: none">Continue to actively promote SAICA, its designations (CA(SA), AGA(SA) and AT(SA)), as well as partnerships with Thuthuka, The Hope Factory and SAICA ED through the integrated brand and marketing strategyContinue with the Audit Reform initiative aimed at restoring trust in the auditing profession through member profiling, media engagement highlighting its importance in financial reporting, and hosting webinars on future professional trendsExpand SAICA offerings to provide support for members in the Small and Medium Practices (SMP) and Members in Business (MiB) constituenciesCommence rebranding exercise from CA2025 to CA of the Future | | | |

| STRATEGIC PILLAR | STRATEGIC OBJECTIVE | STRATEGIC OUTCOME | 2023 STRATEGIC INITIATIVES AND STATUS | IMPACT |
|--|---|--|---|---|
|  RELEVANCE AND REPUTATION | | | | |
| <p>Building trust and ethical conduct are key focus areas for the organisation to address a perceived failure in historical disciplinary cases</p> <p>SAICA's reputation is a key driver for attracting and retaining members, and correcting past reputational damage is a priority</p> <p>SAICA must ensure that it remains relevant in times of inequality and unemployment, both for its members and wider society</p> | Enhance trust, ethical conduct and the credibility of the profession in the economy and society | Integrity – Members should be living the principles of the Code of Professional Conduct, and where they are not, appropriate action must be taken. Members should be socially conscious (the focus is broader than on just deriving profit from an entity) | <p>7 Integrated ethics plan – Ethics in Practices Series delivered monthly to promote a high level of ethical behaviour. Submission was made to the IESBA on its work plan and strategy which is key in determining the ethics projects that are most urgent and impacting the profession</p> <p>8 Optimise disciplinary procedures – The Disciplinary Code was amended in 2023 to include streamlined processes for certain types of non-compliance cases (complaints for late submissions of declarations of Tax Practitioner Members and for General CPD non-compliance up to 1 March 2023)</p> <p>9 Implement SDG initiatives</p> <div data-bbox="1507 724 2326 856">  </div> <p>Refer to pages 71 to 75 to read more about our initiatives that support these SDGs</p> <p>10 Audit reform initiatives – The audit reform initiative has played an important role in the restoration of trust in the auditing profession in South Africa, as evidenced by the number 1 ranking in the Edelman Trust survey in 2023. The establishment of a Centre for Audit Quality (CAQ) as a SAICA-related entity is currently being assessed. The CAQ is intended to be the voice of the auditing profession and to contribute positively to financial reporting and assurance in South Africa</p> <p>11 Unite4Mzansi™ – Explored solutions to address issues raised by the Judicial Commission of Inquiry into State Capture (Zondo Commission). Successful prosecution of public Disciplinary Committee hearing into a complaint which was referred to SAICA from the recommendations from the Zondo Commission</p> <p>12 Courageous Conversations – Leaderex SAICA Difference Makers Anti-Corruption Summit</p> <p>13 Government-assistance programmes – Continued with the advocacy submissions to improve governance and financial reporting in the public sector</p> <p>14 Communication strategy execution – Continued focus on rebuilding trust in the profession, promoting the value of SAICA's designations with significantly increased media exposure. Trust index increased from 83% to 84%</p> | <p>Capitals</p>  <p>Material Matters</p>  |
| OUTLOOK FOR THE FUTURE MEDIUM TO LONG TERM | <ul style="list-style-type: none"> • Continue advocating for improved legislation and standards in the public sector • Strengthen tax practitioner compliance and monitoring • Establish the CAQ in collaboration with SAAPTl and the firms • Continue to enhance the impact of SAICA's social media footprint through various social media platforms • Make a formidable contribution in the ESG space • Sustain SAICA as a well-reputed organisation driving a respected brand • Restore trust in the profession by ensuring members are living the Code and appropriate action is taken against misconduct, thus promoting accountability and integrity among members • In the short term, SAICA intends to deal decisively with current disciplinary matters and in the long term aspires to minimal discipline being required of its members | | | |

| STRATEGIC PILLAR | STRATEGIC OBJECTIVE | STRATEGIC OUTCOME | 2023 STRATEGIC INITIATIVES AND STATUS | IMPACT |
|---|--|---|---|--|
| <div>GROWTH AND TRANSFORMATION</div> | | | | |
| <p>SAICA's continued growth and transformation requires that we play an active role in addressing inequalities. By influencing policy to address the challenges faced by its members, SAICA can become part of the solution and stay connected with national and international social and political agendas</p> <p>Leverage technology to support the accreditation of institutions to grow and transform the membership base</p> | <p>Grow and transform the accountancy profession</p> | <p>The profession has a presence in schools to increase the member pipeline. Increased number of accredited training and higher education providers for all SAICA designations is crucial</p> | <p>15 Schools and tertiary institution engagement – Initiatives to assist learners such as the 2023 FASSET-funded SAICA mathematics development camps. SAICA also partnered with the South African Maths Foundation to run teacher problem-solving courses to assist in improving the teaching and learning of mathematics in the classroom</p> <p>16 Thuthuka programme – Transformation remains a key focus for SAICA as its membership register still lacks representation in terms of gender and race. The Thuthuka programme plays a vital role in addressing this issue, although funding is a significant risk. SAICA has conducted fundraising campaigns and relaunched the Thuthuka Alumni community to address this challenge</p> <p>17 Digitisation of Grades 10–12 accounting textbooks – This initiative has been put on hold</p> <p>18 Common PGDA for historically disadvantaged institutions – HDI capacity-development programmes, including FASSET-funded educator development workshops for HDI lecturers. A comprehensive plan was devised to collaborate closely with the three HDIs not accredited by SAICA at a PGDA level</p> | <p>Capitals</p> <div></div> <p>Material Matters</p> <div></div> |
| <p>OUTLOOK FOR THE FUTURE MEDIUM TO LONG TERM</p> | <ul style="list-style-type: none">Increasing accessibility at all South African universities by ensuring that their PGDA programmes are accreditedDigitisation of Grade 10–12 accounting textbooks to support learners in continuity of studies and grow the future pipeline of CAs(SA)SAICA plans to address mathematics challenges through partnerships in the short term and advocate for a comprehensive plan in the long termIn the training ecosystem, partnerships will be established with accredited providersContinued interventions will support candidates in narrowing the gap in the pass rates of different racial groups | | | |



| STRATEGIC PILLAR | STRATEGIC OBJECTIVE | STRATEGIC OUTCOME | 2023 STRATEGIC INITIATIVES AND STATUS | IMPACT |
|--|--|--|--|---|
| <div> ORGANISATIONAL SUSTAINABILITY</div> | | | | |
| <p>SAICA's continued growth and transformation require that we play an active role in addressing inequalities. By influencing policy to address the challenges faced by its members, SAICA can become part of the solution and stay connected with national and international social and political agendas</p> <p>Leverage technology to support the accreditation of institutions to grow and transform the membership base</p> | Achieve financial sustainability as an organisation | <p>To stay relevant, SAICA will prioritise digital transformation</p> <p>While the need has been accelerated by the COVID-19 pandemic, digital transformation improves the speed at which IT issues are addressed and increases transparency to avoid employee and member frustration and improve the member satisfaction index from the PHI perspective</p> | <p>19 Manage working capital and investments – Member collections target for 2023 achieved driven by collection campaigns and strong investment return on available cash investments</p> | <p>Capitals</p>  <p>Material Matters</p>  |
| | Digitise operational processes to work quicker and qualitatively better and accelerate strategic benefits | <p>By elevating the focus on people, SAICA will be showing that it cares about its people and is invested in their success. This includes implementing management processes to ensure individuals are respected, valued and empowered. The cradle to grave Employee Value Proposition (EVP) is crucial. SAICA should become a more agile organisation by building a culture that allows experimentation where people adopt a ‘fail fast and pivot swiftly’ mentality</p> | <p>20 Digital transformation – Despite a few challenges with Ushintsho, after a revision of the scope of work and change of implementation partner, the project is now on track and the benefits are being realised</p> <p>Read more on page 100</p> | <p>Capitals</p>  <p>Material Matters</p>  |
| | Empower human capital to enhance innovation and engage employees to create a more engaged organisation | | <p>21 Review the employee value proposition – MIPART values incorporated into the Employee Recognition Awards</p> <p>22 Talent management – A Comprehensive Talent Management Framework (CTMF) and a Talent Acquisition Framework (TA) which is integrated within the broader CTMF have been developed</p> <p>23 Improve organisational culture – Values re-launched to drive high performance, ownership and recognition and change management framework developed. Employee engagement score improved from 78% to 84%</p> | <p>Capitals</p>  <p>Material Matters</p>  |
| | Internal transformation | | <p>24 Improve SAICA's B-BBEE score – Improved from Level 4 to Level 2 B-BBEE</p> | <p>Capitals</p>  <p>Material Matters</p>  |
| OUTLOOK FOR THE FUTURE MEDIUM TO LONG TERM | <ul style="list-style-type: none">Fully implement Phase 3 of the Ushintsho programmeImplement the action plan identified from the Employee Pulse Survey to further improve employee engagement levelsSAICA has initiated a detailed organisational review process to:<ul style="list-style-type: none">Facilitate the development of the SAICA integrated target operating model (TOM) aligned to the SAICA constitution and strategyConfigure/design an optimal organisational structure to execute the SAICA strategyAlign, develop and review the processes (and systems) to enable service delivery | | | |

CONTRIBUTING TO A SUSTAINABLE FUTURE (THE UN SDGS)

KEY DEVELOPMENTS IN 2023

- Formalisation of the Sustainability Technical Committee’s workplan, aligned with member expectations through consultation
- Conducting research to assess readiness for adopting ISSB IFRS Sustainability Disclosure Standards and understanding member needs
- Hosting the global launch of the ISSB IFRS Sustainability Disclosure Standards with attendance from various stakeholders including ISSB Board members, technical staff, and local regulators
- Hosting the inaugural Climate Change Conference
- Considering a list of Q&As by the Sustainability Technical Committee to assist members in navigating the sustainability reporting landscape
- Collaborating with global accounting bodies under the Chartered Accountants Worldwide umbrella to influence the global sustainability reporting landscape
- Engaging and contributing to the global project on sustainability assurance
- The Chairperson of the SAICA Board being elected to the ESG Exchange’s advisory committee and the Executive Director of Standards joining the ESG Exchange’s technical committee, promoting greater sharing of content and advice for SAICA members’ benefit
- SAICA ran its Trainee Trailblazer awards, which have seen trainees being encouraged and awarded for the work they do relating to SDGs
- Hosting a successful SAICA Difference Makers and Anti-corruption Summit at Leaderex
- Signing an MOU with The Whistleblower House in SAICA’s endeavour to protect whistleblowers
- Hosting the SAICA Top 35-Under-35 competition for the tenth year

CONTRIBUTING TO A SUSTAINABLE FUTURE

As Difference Makers, the accountancy profession is well positioned to help solve society’s most pressing problems. Our commitment to the SDGs forms part of our strategic pillar of Relevance and Reputation. One of the key initiatives to achieve our aspiration is included in number 9 on page 68.

The 2030 Agenda for Sustainable Development adopted by all United Nations (UN) Member States in 2015 offers a blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are 17 Sustainable Development Goals (SDGs) which are an urgent call for action by all countries in a global partnership.

The SDGs and 169 associated targets

These provide governments, businesses and civil society with a universal roadmap to tackle urgent

challenges, meaningfully engage with emerging risks, and discover new opportunities for creating value.

The implementation of the SDGs is part of SAICA’s strategy and offers a significant opportunity for change in social, economic and environmental challenges; as a result, it is essential to link SAICA’s economic recovery blueprint goals with the UN SDGs to establish practical solutions for a sustainable economy. This blueprint also draws on South Africa’s National Development Plan (NDP), as well as various government policies.

SAICA collaborates with a number of organisations to promote the SDGs. These include Sustainable SA and FinBiz2030, a collaboration between One Young World, Chartered Accountants Worldwide and SAICA. SAICA members and associates are also very involved in SDG-related work. To this end, SAICA annually publishes the SDG report showcasing members’ and associates’ contributions to the SDGs.

In 2023, the chartered accountancy profession, represented by SAICA, showcased the crucial role played by corporates, the CA profession and other

stakeholders to advance the SDGs in the sixth edition of the UN SDGs Report.

We have identified SDGs 4, 8, 10, 13, 16 and 17 as priorities for the Institute.

This involved devising and executing initiatives within their communities, organisations, and sectors to support the SDGs.

SAICA OBJECTIVES

4

QUALITY EDUCATION

SAICA creates opportunities to enhance employees’ personal and professional development through the creation of opportunities for employees to obtain recognised qualifications with various duly accredited institutions of higher learning

In addition, SAICA runs several educational initiatives. Core to these initiatives is the Thuthuka Bursary fund that funds African and Coloured students studying towards becoming chartered accountants. In addition to Thuthuka, SAICA runs several other educational initiatives, including the following:

- Several learner development initiatives
- Educator development programmes
- ITC and APC repeat candidates

KEY ACTIVITIES IN 2023 AND IMPACT / DIFFERENCE MADE

- Successfully hosting development camps funded by FASSET
- Financial sponsor of the South African Mathematics Foundation’s Maths Olympiad
- Sponsored the South African Mathematics Foundation’s problem-solving course for maths educators
- A financial literacy programme implemented in Gauteng for Grade 9 and 12 learners in partnership with Visa is being expanded to other provinces
- The Western Cape, Limpopo and Mpumalanga Departments of Education recognised and awarded SAICA as a key stakeholder in that province
- Raised funding for 1 100 Thuthuka students
- The Thuthuka 2023 intake includes eight students who were part of the 2022 Grade 12 Top Performers
- Jan 2023 ITC: 94% Thuthuka ITC pass 94% vs 75% national pass rate
- SIU students – first graduation, starting internship at SIU
- Hosted the NSFAS funder symposium
- Hosted HDI lecturer development workshops funded by FASSET
- FASSET recognising SAICA as a strategic contributor to the sector’s transformation
- Raised funding to run the ITC and APC support programme
- Hosted the GAA Education Directors in South Africa
- Sponsorship of the Southern African Accounting Association (SAAA) – panel discussions



SAICA OBJECTIVES

8 DECENT WORK AND ECONOMIC GROWTH



- Influence the South African fiscal budget and budget process to ensure it better achieves the enablement of inclusive economic growth and job creation
- Influence Parliamentary oversight on the budget process to ensure better accountability and efficient spending
- Strengthen the credibility of the capital markets in South Africa through activities that are aimed at enhancing audit quality and promoting trust in the auditing profession
- Ensure that members remain relevant in the job market with the changing skills required
- Empower and mentor young people to gain employment
- Entrepreneurial skills development and creating job opportunities through The Hope Factory Group

KEY ACTIVITIES IN 2023 AND IMPACT / DIFFERENCE MADE

- Submission and oral presentation to Parliament’s Standing Committee on Finance on the Annual Budget Review, including on the constitutional oversight role and mechanisms of Parliament
- Submission to Parliament and National Treasury on the South Africa Fiscal Policy Framework and 2023 Medium-Term Expenditure Framework
- Submission and oral presentation to Parliament’s Standing Committee on Finance on the Medium-Term Budget Policy Statement, including on aspects that were realised during the half year and were not properly budgeted for
- Submission and oral presentation to Parliament’s Standing Committee on Appropriations raising concern on municipal pre-spending, unbudgeted expenditure and incorrect usage of expenditure ceilings
- Employer engagement on skills needs – driving engagement with significant employers to understand the changing requirements applicable to the profession to ensure that the members are staying relevant and effective
- Member-profiling initiatives such as the Top 35-Under-35 competition celebrate and showcase young CAs(SA) who are difference makers driving positive change in the economy and society
- Expanded graduate internship programme to host nine interns
- Both SAICA ED and THF exceeded its YTD income targets for both traditional income and customised projects
- Increased The Hope Factory Group customer retention rates from 50% in 2022 to 74% in 2023 for the group



SAICA OBJECTIVES

10 REDUCED INEQUALITIES



- Advocate for effective, efficient and administratively fair revenue collection
- Advocate for fair, equitable and transparent global tax rules
- Ensure a balanced representation for appointments on technical committees
- Reducing inequalities by ensuring equal empowerment of trainees through the Audit Reform project
- Promote women’s empowerment and leadership
- Provide educational support for African and Coloured learners

KEY ACTIVITIES IN 2023 AND IMPACT / DIFFERENCE MADE

- Submission and presentation to Parliament’s Standing Committee on Finance and its Standing Committee on Appropriations to address challenges relating to the effectiveness of SARS, including funding and accounting disclosure concerns
- Submission to the Organisation for Economic Co-operation and Development (OECD) Centre for Tax Policy and Administration regarding concerns on dispute resolution mechanisms between countries for base erosion and profit sharing (BEPS) 2.0: Amount A of Pillar I, where developing countries do not adopt Pillar I or do not sign on for other multilateral instruments
- Appointments made at the newly established Sustainability Technical Committee considered gender and race representation
- Participation in the Equality, Diversity and Inclusion Task Force’s Research Group of Chartered Accountants Worldwide (CAW), which shares best practices to reduce inequality in the workplace and in society
- Entered into a contract with ICAS (leading provider of well-being services) to ensure that Thuthuka students are supported in dealing with broader challenges they may face, including emotional and mental well-being
- Additional coaching and mentoring through the ITC and APC repeat programme

SAICA OBJECTIVES

13 CLIMATE ACTION



Aim to achieve SAICA's carbon footprint objectives.

GHG calculations for 2023 encompassed Scopes 1 to 3, in contrast to the previous year's focus on Scopes 1 and 2 emissions only.

In FY23, total carbon emissions for Scopes 1 to 3 amounted to 2253,5 tonnes¹ CO₂e, compared to 630,41 tonnes in FY22, which only accounted for grid electricity emissions. An error in the FY22 report omitted generator emissions, leading to the discrepancy in values.

- The higher GHG emissions in 2023 can be attributed to several factors:
- Inclusion of data from all four SAICA offices compared to only the Johannesburg Head Office in 2022
 - Inclusion of Scope 3 sources in the 2023 calculation, such as employee commuting, business travel, waste disposal, recycled paper, and water usage
 - Correction of the 2022 calculation with updated emission factors for accuracy

- Increased office occupancy in 2023 resulting in higher water and electricity usage
- Actual rise in diesel and grid electricity usage at the Johannesburg office due to increased load-shedding in 2023

Comparison between 2022 and 2023 is limited to diesel and grid electricity usage at the Johannesburg office. Diesel usage increased from 12 230 to 21 290,2 litres, resulting in an additional 24,2 tonnes CO₂e emissions. Grid electricity usage rose from 676 956,8 kWh to 753 706,6 kWh, contributing an extra 81,4 tonnes CO₂e emissions compared to 2022.

Sources of emissions

- Direct emissions from sources owned or controlled by the organisation – burning of diesel fuel through power generation using a standby generator and use of the SAICA fleet for delivery and collections through messenger services
- Indirect emissions from purchased electricity

- from the power utility
- Other sources, including travel to and from work and business travel.

Water use efficiency

- Maintain ablution basin water faucets that discharge half a litre per minute for washing hands
- Creating a dual plumbing system: using borehole water to wash hands and recycle at least 1,6 times before discarding to waste as well as grey water harvesting are planned for 2024

Energy efficiency

- Continuous maintenance using LED lighting
- Installing a technology that will automatically switch off the air-conditioning system and lighting when boardrooms are unoccupied; the usage of natural lighting where possible
- Investment in renewable energy sources such as solar power; investing in a grid-tied

- solar system for the Head Office building that will drive activities during the day and supply minimal energy at night. Prioritising investment in infrastructure and technology.
- Seek opportunities to invest in green building status for the SAICA space requirements
- Investing in a building management system to streamline operations and minimise the need for human intervention

Recycling of waste

- Continue recycling dry waste
- Limit use of non-biodegradable materials – the reduction of drinking water bottles by replacing them with water coolers has been implemented and is yielding results

Reduce paper usage

KEY ACTIVITIES IN 2023 AND IMPACT / DIFFERENCE MADE

INTERNAL

- Environmental management policy approved by Exco
- Expanded oversight responsibilities of SETCO in terms of the SAICA environmental protection strategy
- As part of the revised SAICA strategy 2024–2028, ESG and sustainability levers will be formalised, targets defined in both the short and long term, and performance measures included in balanced scorecards

By formalising an internal strategy to respond to environmental protection, SAICA will accelerate its response to climate action and enable the ability to measure progress against objectives through defined KPIs.

Paper reduction

- Due to work-from-home, we have seen a drastic reduction in paper usage
- The usage of paper for mass production of camp materials to support the SAICA pipeline project remains a challenge but can be mitigated by the distribution of ICT computers to learners on a temporary basis during these

- sessions
- Electronic signatures were introduced to reduce the use of paper and a project was initiated to scan physical documents to a server

Energy efficiency
Purchased electricity 753 706,60 kWh:²
(FY22: 727 113,81 kWh)

In 2023, there was a notable increase in office employees returning to work in-person, leading to elevated water and electricity consumption. Additionally, there was a tangible increase in diesel and national grid electricity consumption, attributable to the heightened frequency of load shedding, reaching Stage 6, experienced during the year.

- Smart energy meters have been installed to help with keeping record of all electrical activities in the Head Office building
- The SAICA Eastern Region (KZN) has been equipped with a full solar system with storage

Water use efficiency
Water use 6 961,77 kl³ (FY22: 5 574,33 kl)

The rise in water consumption correlates with

the growing office staff numbers. Additionally, a significant factor was a water leak at the Johannesburg head office in December 2022, attributed to underground pipe damage from the fire suppression system, which was rectified in January 2023.

- Installed waterless urinals for the Head Office building
- Installed ablution equipment using 3 litres of water for flushing in the Southern Region office

EXTERNAL

- Formalisation of the Sustainability Technical Committee to provide thought leadership and education to SAICA members regarding the SDGs to enable SAICA to join global standard-setters
- Submission made to the ISSB on climate change
- Regular communication of climate change matters to members
- SAICA participated at global sustainability initiatives relating to net-zero commitments
- Progress on member feedback in response to the invitation to submit their views on climate change and biodiversity to help shape SAICA's response strategy to these issues

- Submission and presentation to Parliament's Standing Committee on Finance and Standing Committee on Appropriations regarding the dilapidated state of sewage and water treatment plans and the lack of proper budgeting for repair costs

¹ The total carbon emissions (2253.5 tonnes CO₂e) represent a high-level approximation, with the goal of establishing a GHG Protocol-aligned baseline by FY 2024.

² The total purchased electricity (753 706,60kWh) represents a high-level approximation, with the goal of establishing a GHG Protocol aligned baseline by FY 2024.

³ The total water use (6 961,77 kl) represents a high-level approximation, with the goal of establishing a GHG Protocol aligned baseline by FY 2024.

Note:
The disclosure of natural capital, including disclosure of tonnage of CO₂e, purchased electricity, and water consumption for FYE 2023, have not been externally assured.

SAICA OBJECTIVES



- Building effective, accountable and inclusive public sector institutions
- Advocating for a capable and competent criminal justice system
- Protection of whistleblowers

KEY ACTIVITIES IN 2023 AND IMPACT / DIFFERENCE MADE

- Submission and presentation to the Standing Committee on Finance on the lack of budget for SAPS and NPA and over-funding in certain less critical areas such as SAPS units
- Submission to Parliament's Standing Committee on Finance on our concerns that the 2023 Budget Review did not cater for the economic impact of a negative FATF country review and that Parliament seemed unaware of this fact
- Submission to National Treasury on the Draft Preferential Procurement Regulations to strengthen procurement legislation within government which will assist with accountability and contribute to sustainable development
- Submission to the Department of Basic Education on the Basic Education Laws Amendment Bill (BELA) to improve the finance management of public schools which will result in better service delivery by government in terms of its mandate on education
- Hosted the MFMA year-end Financial Reporting and Audit workshop, which was attended by 284 delegates. This workshop is aimed at assisting individuals employed within municipalities to prepare credible financial statements for the public sector
- Hosting the CFO Forum at KZN Treasury – this allowed 205 municipal and public entity officials to have access to Standards of GRAP updates which would have otherwise not been possible
- Submission and Presentation to the Standing Committee on Finance on the changes to the Financial Intelligence Centre Act Schedule 1 on who would be classified as an accountable institution. This has a widespread impact on the accountancy profession
- Submission to the Specialist Committee on Company Law to request an increase in the Public Interest (PI) score as set out in the Companies Regulations, which impacts whether companies' financial statements require an audit, independent review, or just a compilation. The aim is to consider a review and increase of the PI score to ease the regulatory burden on small businesses in South Africa and reduce the regulatory requirements for companies volunteering to have an audit
- Submission of a letter to the Companies and Intellectual Property Commission (CIPC) on their request that professional accountancy bodies should inspect their members that perform independent reviews. CIPC withdrew the requirement that professional bodies should inspect independent reviewers in January 2023
- Ongoing engagements on IFRS 17 *Insurance Contracts* on practicalities of the standard via the working groups
- The public sector department successfully hosted an Eastern Region municipal budgeting and GRAP update session in collaboration with the Accounting Standards Board. The session aimed to assist municipalities in enhancing the quality of their budgets, daily transactions, and addressing other technical matters
- Key initiatives to support KZN local and provincial government to improve audit outcomes and public finance management in the province
- SAICA successfully hosted its inaugural Public Sector Summit aimed at fostering partnerships with key stakeholders to collectively address challenges impacting the public sector and citizens. The summit featured prominent stakeholders including National Treasury, the Public Service Commission, the Auditor-General of South Africa and CIGFARO
- Discussions on the establishment of the Centre of Audit Quality (CAQ) to produce thought leadership, and research and to advocate for views that will advance confidence in South Africa's auditing profession and advance the discussion on issues relating to audit quality and trust in the capital markets
- Contributions made to the post-implementation reviews of the financial instruments (IFRS 9) and revenue from contracts with customers (IFRS 15) standards
- Signing of an MOU with The Whistleblower House
- Successful hosting of the SAICA Difference Makers and Anti-corruption Summit at Leaderex



SAICA OBJECTIVES

17

PARTNERSHIPS
FOR THE GOALS



- Seeking global partnerships and platforms to strengthen domestic tax and enhance the investment climate
- Partnering with global organisations on initiatives to promote trust in the auditing profession as well as enhance audit quality
- Align and explore collaborative opportunities between the medical schemes regulator (CMS) and SAICA and utilise our network of industry experts as a resource for providing input on financial reporting matters within the medical schemes industry

KEY ACTIVITIES IN
2023 AND IMPACT /
DIFFERENCE MADE

- Engagement with IESBA Roundtable on Aggressive Tax Planning ethics for professional accountants and collaboration with the Global Accounting Alliance Tax Workgroup to find common ground between developed and developing countries on this matter
- Engagement with Invest SA and the World Bank on the paying taxes initiative and engagement at DTIC's Investment Climate Reform Programme Phase 1 closure event
- SAICA partnered with the Pan African Federation of Accountants (PAFA) and the Independent Regulatory Board for Auditors (IRBA) to host monthly workshops on the implementation of the International Standards on Quality Management which came into effect on 15 December 2022
- The work that SAICA has done on providing implementation guidance on the Quality Management Standards has been recognised at a global level. IFAC have shared the SAICA Quality Management Resource page with other professional accountancy organisations (PAOs) on their resource page, thus expanding SAICA's thought leadership reach to other jurisdictions within the IFAC network
- SAICA's resources were made available to all PAOs affiliated with IFAC
- Signing of an MOU with The Whistleblower House
- Partnership with the Provincial Departments of Education
- Partnership with various donors and funders
- Hosting of #GearUp4Thuthuka with members and associates
- Starting the Thuthuka Fundraising Task Force



STAKEHOLDER ENGAGEMENT AND VALUE CREATION

Stakeholder engagement is a key aspect of SAICA’s activities, not only in terms of our advocacy role but also in establishing and managing the partnerships that make the delivery of our projects and strategic initiatives possible. Our goal is to maintain good relations with all of our key stakeholders in order to create a strong collaborative value-creating environment.

Our engagements with a broad range of stakeholders help us understand their needs and interests so that we can respond appropriately, support the transformation and upliftment of communities and contribute to sustainable societies.

Effective engagement with stakeholders helps to translate their needs into organisational goals and creates the basis for effective strategy execution. Stakeholder groups include both strategic dependencies (the stakeholders SAICA depends on to execute its strategy) and strategic benefactors (those who will benefit from the achievement of the strategy).

Stakeholder needs and interests are also critical inputs into the material matter determination process and the identification of risks and opportunities.

We identify our key stakeholders by considering SAICA’s most material matters, continued local and international relevance, technical competence, reputation management, financial sustainability and service of the public interest, and the extent to which expectations have been met.

SAICA’s key stakeholder groups are shown in the diagram below.

LEGEND

✓ Expectations met ⚙ Improvement required ↓ Worsening ↑ Improving ↔ Stable

| | | | |
|--|---|---|---|
| <div>✓</div> <div>MEMBERS AND ASSOCIATES</div> <div>Member satisfaction score = 70% (FY22: 67%)</div> <div>↑</div> | <div>✓</div> <div>SAICA BOARD</div> <div>Engagement score = 83% (FY22: 83%)</div> <div>↔</div> | <div>✓</div> <div>EMPLOYEES</div> <div>Engagement score = 84% (FY22: 78%)</div> <div>↑</div> | <div>✓</div> <div>REGULATORS</div> <div>Engagement score = 78% (FY22: 89%)</div> <div>↓</div> |
| <div>✓</div> <div>USERS</div> <div>PHI – employability index score = 74% (FY22: 76%)</div> <div>↓</div> | <div>✓</div> <div>GOVERNMENT</div> <div>Engagement score = 83% (FY22: 87%)</div> <div>↓</div> | <div>⚙</div> <div>NON-GOVERNMENTAL ORGANISATIONS AND THE GENERAL PUBLIC</div> <div>PHI = 50% (FY22: 57%)</div> <div>↓</div> | <div>✓</div> <div>TRAINEES</div> <div>PHI – Attractiveness of the profession to new entrants = 86,43% (FY22: 86,16%)</div> <div>↑</div> |
| <div>✓</div> <div>STUDENTS</div> <div>PHI – Attractiveness of the profession to new entrants = 93,43% (FY 22: 86,16%)</div> <div>↑</div> | <div>✓</div> <div>FIRMS</div> <div>Engagement score = 90% (FY22: 87%)</div> <div>↑</div> | <div>✓</div> <div>ACADEMIA</div> <div>Engagement score = 96% (FY22: 74%)</div> <div>↑</div> | <div>✓</div> <div>MEDIA</div> <div>Engagement score = 67% (FY22: 89%)</div> <div>↓</div> |
| <div>⚙</div> <div>TRAINING OFFICES</div> <div>Engagement score = 55% (FY22: 54%)</div> <div>↑</div> | <div>✓</div> <div>LEARNERS AND EDUCATORS</div> <div>PHI – Attractiveness of the profession to new entrants = 85,77% (FY22: 86,16%)</div> <div>↓</div> | <div>✓</div> <div>DONORS</div> <div>Engagement score = 86% (FY22: 50%)</div> <div>↑</div> | <div>✓</div> <div>ALLIANCE PARTNERS</div> <div>Engagement score = 82% (FY22: 84%)</div> <div>↓</div> |

⚙ To improve and maintain positive stakeholder relationships, collaboration and involvement strategies will be enhanced.

STAKEHOLDERS, INTERESTS AND ENGAGEMENT CHANNELS

Refer to the SAICA webpage <https://www.SAICA.org.za/> for details on all of our stakeholders where we demonstrate our commitment, engagement and the quality of our relationships with key stakeholders through the value we have delivered.

SAICA’s stakeholder engagement strategy, plan and stakeholder management policy guide interactions with stakeholders. Significant engagements are captured in an organisational stakeholder engagement tracking document and reported quarterly to the SETCO.

A stakeholder management policy is in place and approved by SETCO and the SAICA Board.

The quality of our stakeholder relationships is measured through an annual survey. The 2023 survey showed an overall satisfaction score of 72,15% (2022: 67%).

STAKEHOLDER ENGAGEMENTS IN 2023

Key themes that were topics of discussion for engagements during 2023 include:

| TOPICS OF DISCUSSION | TOPICS OF DISCUSSION |
|---|--|
| <ul style="list-style-type: none">• Fraud and corruption prevention• Audit reform and audit quality• Reputation management and disciplinary updates• Capacitating and professionalising the public sector• Engagements with partner organisations and potential partners• Ethics• SAICA strategy 2024–2028• The state of the economy and current challenges in South Africa• Economic development initiatives to grow the South African economy• Establishment of the Centre for Audit Quality (CAQ)• Regulatory burden on small businesses in South Africa | <ul style="list-style-type: none">• Transformation in the industry, Institute and industry pipeline• Topical interviews and media engagements throughout the year• Impact of climate change – SAICA’s inaugural Climate Change Conference• Tax practitioner regulatory requirements• Impact of digital technologies on the profession, including artificial intelligence• IFRS Sustainability Disclosure Standards (ISSB standards) in South Africa• Increasing regulatory requirements and expectations |








STAKEHOLDERS, INTERESTS AND ENGAGEMENT CHANNELS

The tables below demonstrate our commitment, engagement and quality of our relationships with key stakeholders through the value we have delivered.


LEGEND

✔ Expectations met ⚙ Improvement required ↓ Worsening ↑ Improving ↔ Stable





| HOW WE ENGAGE | THEIR ROLE IN VALUE CREATION | HOW WE ADDRESS THESE INTERESTS |
|---|--|---|
| Members and Associates | STRATEGIC PILLAR   | MATERIAL MATTERS  |
| Their material interests | <ul style="list-style-type: none">Value of SAICA membershipReputation of SAICA designationsSAICA's disciplinary process for members under investigationEthical standing of the profession | <ul style="list-style-type: none">CA(SA), AGA(SA), AT(SA) Brand Clarity and EnhancementSAICA and member relationships with key government agenciesSustainability of the accountancy professionEnhancement of their professional competencies |
| How we engaged | <ul style="list-style-type: none">CEO roadshows for members in South Africa and abroadInternational events to support members outside of South AfricaInternational member engagement in London and AustraliaEngagement between SAICA and CAW, ICAEW, CAANZ and Chartered Accountants IrelandEngagements with CEOs before Central District events to drive the member value by promoting the premiership status and enhancing the member value propositionInvitation to members for input in the 2024–2028 strategy formulationPAFA/SAICA sustainability collaborationEngagement with members to address AGM feedbackDiscussions on the Centre for Audit QualityCollaboration regarding digital transformation and impact on the auditing profession | |
| How we addressed needs and interests | <ul style="list-style-type: none">Value analyses for the SMP and MiB constituencies to ensure alignment with needs and expectationsNew members' induction to explain how engagement drives value in their career progressionPromoting SAICA qualifications and designations to employers and prospective membersAddressing tax practitioners' disciplinary issues.Response to The South African Auditing Profession Trust Initiative (SAAPTI) and State Capture reportsEnhanced SMME support forums and structuresFocus on members in the 35–55 age group to better understand how SAICA can support their requirements | |
| Risks/opportunities | <ul style="list-style-type: none">Negative perceptions of SAICA designationsIneffective disciplinary processes | <ul style="list-style-type: none">Unethical conduct of SAICA membersSAICA qualifications not recognised by international accreditation bodies |
| Strategic response | <ul style="list-style-type: none">Proactive ongoing engagement | <ul style="list-style-type: none">Structure support and services to meet specific needs of members across categories |
| Key metrics and objectives tracked to monitor value delivered | <ul style="list-style-type: none">Member satisfaction score = 70% (FY22: 67%)  | VALUE DELIVERED  |





| HOW WE ENGAGE | THEIR ROLE IN VALUE CREATION | HOW WE ADDRESS THESE INTERESTS |
|---|--|---|
| SAICA Board | STRATEGIC PILLAR     | MATERIAL MATTERS  |
| Their material interests | <ul style="list-style-type: none">Relevant, accurate, timeous information and reportingAchievement of strategic objectives | <ul style="list-style-type: none">Improved governance and ethics |
| How we engaged | <ul style="list-style-type: none">Quarterly Board and sub-committee meetings | |
| How we addressed needs and interests | <ul style="list-style-type: none">Formalisation of the Education and Assessment Board sub-committeeGood progress on SAICA strategy executionInput to the SAICA strategy formulation 2024–2028 | |
| Risks/opportunities | <ul style="list-style-type: none">Transparency; inaccurate reporting; under-performance; poor decision-making; potential liability for directors; integrated business planningForward planning of committee's focus for the year ahead | <ul style="list-style-type: none">Leverage skillset of directors as SAICA continues to transform on its path of digitisation and digitalisation |
| Strategic response | <ul style="list-style-type: none">Proactively engage with the Board on matters of strategic importanceTimeous and accurate reporting for effective decision-making | <ul style="list-style-type: none">Commitment to execute strategy and achieve strategic objectives |
| Key metrics and objectives tracked to monitor value delivered | <ul style="list-style-type: none">Board evaluationSAICA Board engagement score = 83% (FY 22: 83%)  | VALUE DELIVERED  |



| HOW WE ENGAGE | THEIR ROLE IN VALUE CREATION | HOW WE ADDRESS THESE INTERESTS |
|---|--|---|
| Employees | STRATEGIC PILLAR  | MATERIAL MATTERS  |
| Their material interests | <ul style="list-style-type: none"> • Learning and development • Reward and recognition • Health and wellness • Technical support for remote working | <ul style="list-style-type: none"> • Clear understanding of SAICA's strategy • Fair remuneration • Career development |
| How we engaged | <ul style="list-style-type: none"> • Quarterly staff townhall sessions • Employee engagement pulse survey • Engagement for input into the 2024–2028 strategy formulation | |
| How we addressed needs and interests | <ul style="list-style-type: none"> • SAICA values re-launch: a leadership lekgotla for all SAICA's line managers to fast-track shaping of the MIPART culture • Wellness initiatives with a focus on financial well-being and mental wellness • Revamped MIPART values incorporated into the Employee Recognition Awards • Skills gap analysis to identify training needs | |
| Risks/opportunities | <ul style="list-style-type: none"> • Low employee engagement • Ineffective business continuity | <ul style="list-style-type: none"> • Increased employee turnover |
| Strategic response | <ul style="list-style-type: none"> • Health and well-being programmes • Talent management and retention strategy | <ul style="list-style-type: none"> • Engagement strategy • Recognition programme aligned to MIPART values • Targeted human capital strategy |
| Key metrics and objectives tracked to monitor value delivered | <ul style="list-style-type: none"> • Employee engagement score and action plans • The employee engagement score has improved from 78% in 2022 to 84% in 2023 • 4,9% staff turnover (FY22: 10,53%), which is below the threshold of 12% set for 2023  | VALUE DELIVERED  <ul style="list-style-type: none"> • MIPART values were incorporated into the Employee Recognition Awards to encourage all employees to embody the values. The awards were rebranded as MIPART Difference Makers Awards. Leadership interventions for improved collaboration to enhance leadership capability and facilitate the desired organisational culture |











| HOW WE ENGAGE | THEIR ROLE IN VALUE CREATION | HOW WE ADDRESS THESE INTERESTS |
|---|---|--|
| Regulators | STRATEGIC PILLAR  | MATERIAL MATTERS  |
| Their material interests | <ul style="list-style-type: none"> • SAICA and member compliance with regulations | <ul style="list-style-type: none"> • Input on regulations to assist in their development |
| How we engaged | <ul style="list-style-type: none"> • Engaging with the CIPC on the application of IFRS for SMEs to legal practitioners/firms • Strategy discussion with SAICA CEO/IRBA • Discussion and presentation at the Standing Committee on the Companies Amendment Bill | |
| How we addressed needs and interests | <ul style="list-style-type: none"> • Advocate for members on proposed and existing legislation • Amendments and approvals to the IRBA Code | |
| Risks/opportunities | <ul style="list-style-type: none"> • Failing to comply with regulatory requirements | <ul style="list-style-type: none"> • Proactive engagement with regulators (opportunity) |
| Strategic response | <ul style="list-style-type: none"> • Governance structures to ensure compliance • Robust regulatory framework | <ul style="list-style-type: none"> • Compliance monitoring |
| Key metrics and objectives tracked to monitor value delivered | <ul style="list-style-type: none"> • External assurance of regulatory compliance • Good relationship with regulators • No fines or penalties • Regulators engagement score = 78% (FY22: 89%)  | VALUE DELIVERED  |





| HOW WE ENGAGE | THEIR ROLE IN VALUE CREATION | HOW WE ADDRESS THESE INTERESTS |
|---|--|--|
| Government | STRATEGIC PILLAR  | MATERIAL MATTERS  |
| Their material interests | <ul style="list-style-type: none"> • Well-functioning capital markets • Transforming the profession in line with the national context | <ul style="list-style-type: none"> • Identifying opportunities to support the National Development Plan, particularly eliminating corruption and providing accounting support for African entrepreneurs and emerging small businesses |
| How we engaged | <ul style="list-style-type: none"> • National Treasury Public Workshops: Tax Amendment Bills | |
| How we addressed needs and interests | <ul style="list-style-type: none"> • Contributed to discussions with Parliament on budget • Advocacy submissions to improve governance and financial reporting in the public sector • The role of the profession in preventing the recurrence of the state capture • Partnership between SAICA and Department of CoGTA with regard to improving the governance of municipalities | |
| Risks/opportunities | <ul style="list-style-type: none"> • Contribute to the development of the South African economy and society | <ul style="list-style-type: none"> • Loss of stakeholder confidence and inability to attract funding for growth and transformation |
| Strategic response | <ul style="list-style-type: none"> • Forge good relationships with government bodies | <ul style="list-style-type: none"> • Explore opportunities to play a leadership role in addressing key challenges facing the country |
| Key metrics and objectives tracked to monitor value delivered | <ul style="list-style-type: none"> • Government engagement score = 83% (FY22: 87%)  | VALUE DELIVERED  |




| HOW WE ENGAGE | THEIR ROLE IN VALUE CREATION | HOW WE ADDRESS THESE INTERESTS |
|---|--|--|
| Firms | STRATEGIC PILLAR  | MATERIAL MATTERS   |
| Their material interests | <ul style="list-style-type: none">• Highly competent trainees and members• Relevant programmes to provide a skills pipeline• Members trained for the future/impact of the 4IR• Technical support and query resolution | |
| How we engaged and addressed these interests in 2023 | <ul style="list-style-type: none">• Met with the South African Auditing Profession Trust Initiative (SAAPTI) to discuss the plan for a Centre for Audit Quality (CAQ)• Discussion on the implications of the Zondo Commission report on the profession• Audit reform event to discuss the impact of digital transformation on the audit and assurance profession | |
| Risks/opportunities | <ul style="list-style-type: none">• Trainees not well placed due to lack of support• Identify future needs to remain relevant | |
| Strategic response | <ul style="list-style-type: none">• Transformation issues discussions• Audit reform initiatives• Centre for Audit Quality in South Africa | |
| Key metrics and objectives tracked to monitor value delivered | <ul style="list-style-type: none">• Firms engagement score = 90% (FY22: 87%)  | VALUE DELIVERED  |








| HOW WE ENGAGE | THEIR ROLE IN VALUE CREATION | HOW WE ADDRESS THESE INTERESTS |
|---|--|--|
| Media | STRATEGIC PILLAR  | MATERIAL MATTERS   |
| Their material interests | <ul style="list-style-type: none">• Positive impact of our members as #difference makers• Enhancing the ethical conduct of the CA profession• Role of the profession in transformation• SAICA's thought leadership on issues of public interest | |
| How we engaged | <ul style="list-style-type: none">• Over 48 direct engagements with media and opinion leaders | |
| How we addressed needs and interests | <ul style="list-style-type: none">• Significant reach in commercial media in promoting the value of CAs(SA), AGAs(SA) and ATs(SA) to the marketplace | |
| Risks/opportunities | <ul style="list-style-type: none">• Proactive engagement with the media to promote the reputation of SAICA's members and the profession• Maintaining strong relationships with the media• Negative publicity emanating from members' alleged misconduct | |
| Strategic response | <ul style="list-style-type: none">• Topical interviews and media engagements• Extensive #trustleadership engagement with the media regarding members alleged unethical behaviour | <ul style="list-style-type: none">• Ad-hoc media engagements when SAICA receives requests for commentary or interviews |
| Key metrics and objectives tracked to monitor value delivered | <ul style="list-style-type: none">• Media and opinion leaders' performance score above neutral: 67% (FY22: 89%) • 1 314 positive media exposures (2022: 1 829) • Negative sentiment declined to 4,8% (FY22: 5,3%) • An average of 1,8 media exposures per thought leadership topic • 3 social media channels' reach and impact levels > industry averages. Social media followers grew by 14,78% (FY22: 11,28%) • SAICA's proactive media engagement resulted in positive media exposure to the advertising value equivalent (AVE) of R67,3 million and a decline in total negative media exposure. Only 4,8% (vs 5,3% in 2022) of SAICA's total exposure was negative due to allegations against a small number of SAICA members  | VALUE DELIVERED  |














| HOW WE ENGAGE | THEIR ROLE IN VALUE CREATION | HOW WE ADDRESS THESE INTERESTS |
|---|---|--|
| Alliance partners | STRATEGIC PILLAR  | MATERIAL MATTERS  |
| Their material interests | <ul style="list-style-type: none"> Compliance with international professional and related standards Recognition agreements with professional accountancy organisations A unified African profession and participation in the Pan African Federation of Accountants Developing an international brand South African inputs on key professional and technical issues | |
| How we engaged | <ul style="list-style-type: none"> GAA Tax Group meeting IOB meeting to monitor the African Professionalisation Initiative Quarterly PSACF meeting | |
| How we addressed needs and interests | <ul style="list-style-type: none"> Strengthening the collaboration agreement between SAICA and CIGFARO to foster the impact of the profession in the public sector | |
| Risks/opportunities | <ul style="list-style-type: none"> Developing a strong international brand Promoting the value of the accountancy profession | |
| Strategic response | <ul style="list-style-type: none"> Power/influence over SAICA's ability to meet its strategic objectives is high | |
| Key metrics and objectives tracked to monitor value delivered | <ul style="list-style-type: none"> Alliance partners engagement score = 82% (FY22: 84%)  | VALUE DELIVERED  |






| HOW WE ENGAGE | THEIR ROLE IN VALUE CREATION | HOW WE ADDRESS THESE INTERESTS |
|---|--|--|
| Training offices | STRATEGIC PILLAR  | MATERIAL MATTERS  |
| Their material interests | <ul style="list-style-type: none"> Suitable supply and retention of trainees Reputation of SAICA designations Relevant training administration systems | |
| How we engaged | <ul style="list-style-type: none"> Working groups meet monthly An MST platform is used to upload the outcomes of the working groups and eight sub-groups Surveys are undertaken to illicit feedback regularly One-on-one engagements take place as required with small practices | |
| How we addressed needs and interests | <ul style="list-style-type: none"> Implementation of an electronic assessment tool to assist training offices in performing student assessments Ongoing promotion of CA of the Future Framework | |
| Risks/opportunities | <ul style="list-style-type: none"> Loss of confidence in members' professional competencies Identifying the skills required to meet future needs Providing development opportunities to members | |
| Strategic response | <ul style="list-style-type: none"> Review of SAICA's competency framework and implementation of the CA of the Future outcomes Continuous development and delivery of effective member education, particularly non-technical training courses | |
| Key metrics and objectives tracked to monitor value delivered | <ul style="list-style-type: none"> Training offices engagement score = 55% (FY22: 54%)  | VALUE DELIVERED  |






| HOW WE ENGAGE | THEIR ROLE IN VALUE CREATION | HOW WE ADDRESS THESE INTERESTS |
|---|---|--|
| Trainees | STRATEGIC PILLAR  | MATERIAL MATTERS  |
| Their material interests | <ul style="list-style-type: none"> Professional practical work experience Developing competencies to increase employability Guidance to manage the challenges of the training contract | |
| How we engaged | <ul style="list-style-type: none"> Trainee Tuesdays (ongoing) Trainee Mythbusters (ongoing) | |
| How we addressed needs and interests | <ul style="list-style-type: none"> Trainee Trailblazers and Trainee Summit | |
| Risks/opportunities | <ul style="list-style-type: none"> Pass rate below expectations, affecting the morale of trainees Impact on professional firms if trainees need to rewrite | |
| Strategic response | <ul style="list-style-type: none"> Creating a conducive learning environment Assessment as an accurate reflection of competence Focus on the development of professional competence Equitable exposure from a practical experience (on the job) | |
| Key metrics and objectives tracked to monitor value delivered | <ul style="list-style-type: none"> Profession Health Index – attractiveness of the profession to new entrants = 86,43% (FY22: 86,16%)  | VALUE DELIVERED  |






| HOW WE ENGAGE | THEIR ROLE IN VALUE CREATION | HOW WE ADDRESS THESE INTERESTS |
|---|--|--|
| Academia | STRATEGIC PILLAR  | MATERIAL MATTERS  |
| Their material interests | <ul style="list-style-type: none"> SAICA accreditation for accounting programmes Relevant higher education offerings Training and subvention for African academics | |
| How we engaged | <ul style="list-style-type: none"> Discussion on possible research collaboration on Audit Reform Numerous discussions with academics at the biannual SAAA conference at Sun City | |
| How we addressed needs and interests | <ul style="list-style-type: none"> Input to the 2024–2028 strategy formulation process | |
| Risks/opportunities | <ul style="list-style-type: none"> Loss of confidence in SAICA's educational programmes Inadequate competencies required by training offices | |
| Strategic response | <ul style="list-style-type: none"> Continuous review of SAICA's competency framework and the implementation of the CA of the Future outcomes Review of SAICA's training regulations ensuring effective implementation with training and monitoring | |
| Key metrics and objectives tracked to monitor value delivered | <ul style="list-style-type: none"> Academia engagement score = 96% (FY22: 74%)  | VALUE DELIVERED  |

| HOW WE ENGAGE | THEIR ROLE IN VALUE CREATION | HOW WE ADDRESS THESE INTERESTS |
|---|--|--|
| Learners and educators | STRATEGIC PILLAR  | MATERIAL MATTERS   |
| Their material interests | <ul style="list-style-type: none"> Access to careers to increase employability while making a social contribution Quality and relevant maths, science, accounting and English curricula | |
| How we engaged | <ul style="list-style-type: none"> Career awareness / Thuthuka media opportunities Roll-out of #difference makers youth campaign | |
| How we addressed needs and interests | <ul style="list-style-type: none"> SAMO sponsorship Creation of learner material for the three designations | |
| Risks/opportunities | <ul style="list-style-type: none"> Decline in intake of learners to attract into the profession | |
| Strategic response | <ul style="list-style-type: none"> Collaboration with the provincial Departments of Basic Education to promote mathematics and the accountancy profession in all schools, including rural schools | |
| Key metrics and objectives tracked to monitor value delivered | <ul style="list-style-type: none"> Profession Health Index – attractiveness of the profession to new entrants = 85,77% (FY22: 86,16%)  | VALUE DELIVERED  |

| HOW WE ENGAGE | THEIR ROLE IN VALUE CREATION | HOW WE ADDRESS THESE INTERESTS |
|---|--|--|
| Students | STRATEGIC PILLAR  | MATERIAL MATTERS   |
| Their material interests | <ul style="list-style-type: none"> Rising tertiary institution costs/ funding challenges A high-quality programme to increase employability | |
| How we engaged | <ul style="list-style-type: none"> Virtual university career fairs First-year students' needs analysis survey Thuthuka board member roadshow | |
| How we addressed needs and interests | <ul style="list-style-type: none"> Student material – career awareness and Thuthuka | |
| Risks/opportunities | <ul style="list-style-type: none"> Decline in intake of learners to attract into the profession Low under- and postgraduate pass rates | |
| Strategic response | <ul style="list-style-type: none"> Collaboration with the provincial Departments of Basic Education to promote mathematics and the accountancy profession in all schools, including rural schools | |
| Key metrics and objectives tracked to monitor value delivered | <ul style="list-style-type: none"> Attractiveness of the profession to new entrants = 93,43% (FY 22: 86,16%) 8,3% increase in student registrations and a 5,6% increase in AT(SA) members from 2022   | VALUE DELIVERED  |

| HOW WE ENGAGE | THEIR ROLE IN VALUE CREATION | HOW WE ADDRESS THESE INTERESTS |
|---|---|--|
| Users | STRATEGIC PILLAR   | MATERIAL MATTERS   |
| Their material interests | <ul style="list-style-type: none"> Competent and ethical professionals SAICA members to create value for their businesses Quality-assured and trusted/reputable programmes in which to place funds | |
| How we engaged | <ul style="list-style-type: none"> Friday Knowledge Cafés: Dext was the series sponsor | |
| How we addressed needs and interests | <ul style="list-style-type: none"> Mental wellness support offered to members via ICAS (provider of global employee well-being services) | |
| Risks/opportunities | <ul style="list-style-type: none"> SAICA not keeping abreast of market needs Ensure the continued relevance of training and CPD offerings | |
| Strategic response | <ul style="list-style-type: none"> A platform driving engagement with significant employers to understand the changing requirements | |
| Key metrics and objectives tracked to monitor value delivered | <ul style="list-style-type: none"> Profession Health Index – employability = 74% (FY22: 76%)  | VALUE DELIVERED  |

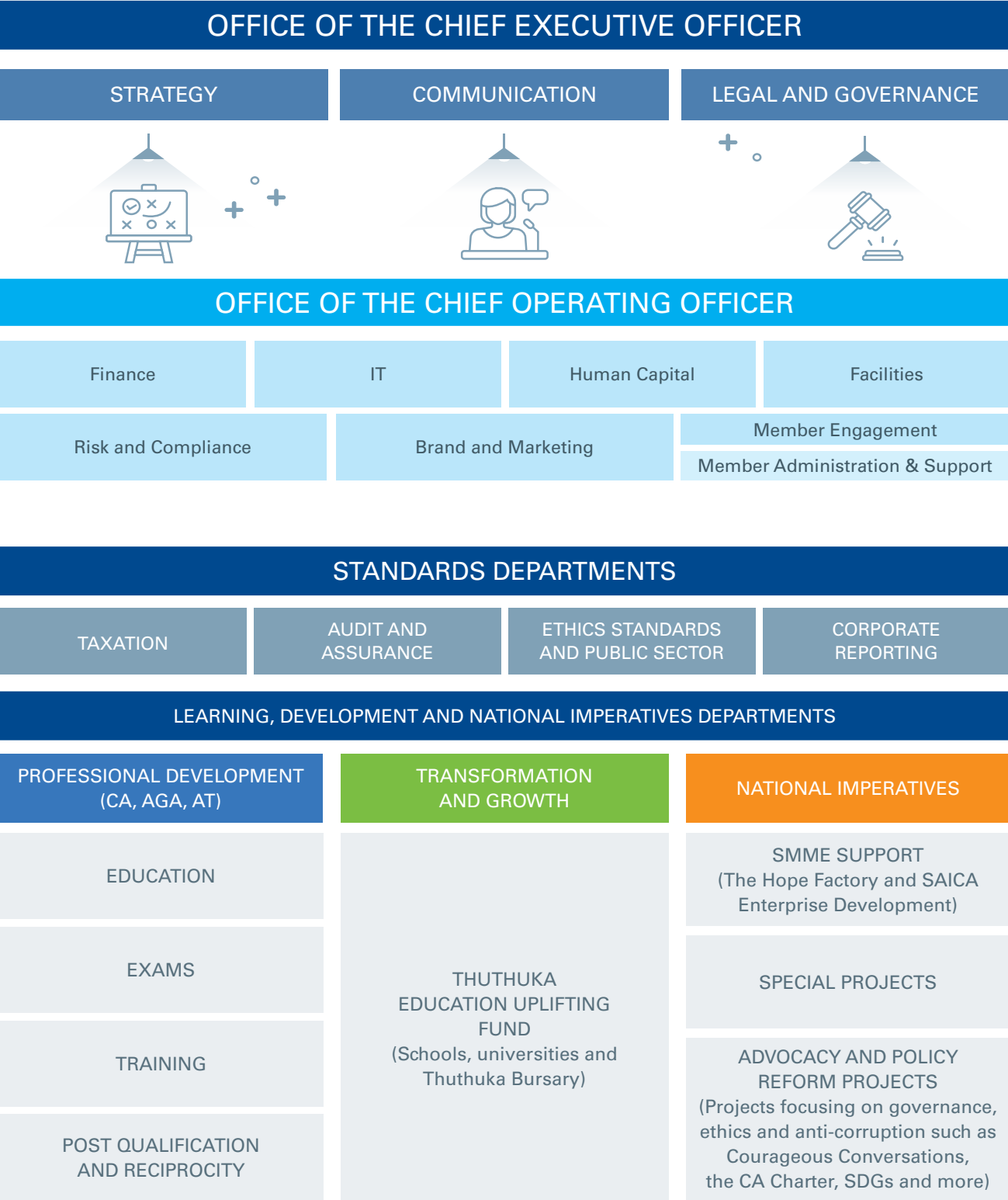
| HOW WE ENGAGE | THEIR ROLE IN VALUE CREATION | HOW WE ADDRESS THESE INTERESTS |
|---|--|--|
| Donors | STRATEGIC PILLAR  | MATERIAL MATTERS   |
| Their material interests | <ul style="list-style-type: none"> Transformation of the profession B-BBEE rating Quality-assured and trusted/reputable programmes in which to place funds | |
| How we engaged | <ul style="list-style-type: none"> Meetings with donors for funding contract renewals Engagement with the National Student Financial Aid Scheme (NSFAS) to gain support | |
| How we addressed needs and interests | <ul style="list-style-type: none"> Funding proposal to the Wholesale & Retail Sector Education and Training Authority (W&RSETA) and various potential donors | |
| Risks/opportunities | <ul style="list-style-type: none"> Loss of strategic stakeholder confidence and inability to attract funding for growth and transformation initiatives | |
| Strategic response | <ul style="list-style-type: none"> Continuous monitoring of growth and transformation initiatives and throughput pass percentages: Thuthuka camps focused on attracting the top maths performers in the country Support programmes to drive improved mathematics results to increase the student pipeline Wrap-around support interventions at undergrad and CTA levels ITC and APC support programmes Alliances with strategic partners to deliver career awareness initiatives | |
| Key metrics and objectives tracked to monitor value delivered | <ul style="list-style-type: none"> Donors' engagement score = 86% (FY22: 50%)  | VALUE DELIVERED  |

| HOW WE ENGAGE | THEIR ROLE IN VALUE CREATION | HOW WE ADDRESS THESE INTERESTS |
|---|--|--|
| Non-governmental organisations and the general public | STRATEGIC PILLAR  | MATERIAL MATTERS   |
| Their material interests | <ul style="list-style-type: none">Professional conduct of membersImpact of members on the public sector, private sector and economyEnhancing the independence and ethical conduct of the professionSAICA's role and commentary on their particular areas of public interest | |
| How we engaged | <ul style="list-style-type: none">Regular engagement and quarterly meetings. XBRL SA board meetingEngagement with SALGA on potential collaboration and alliance agreementSAICA attendance at CIPC engagements in the future of corporate reporting in the country | |
| How we addressed needs and interests | <ul style="list-style-type: none">Collaboration and potential projects between SAICA and OUTADiscuss partnership between the Whistleblower House and AEPF | |
| Risks/opportunities | <ul style="list-style-type: none">No reliance on SAICA and member opinionsNegative rating of the impact of the profession by decision-makersSAICA losing recognition nationally and internationally | |
| Strategic response | <ul style="list-style-type: none">Continuous in-depth monitoring and tracking of trust and credibility through independent feedbackEffective, and differentiating marketing, communication and public relations activities#professionofnationalvalue)Showcase the profession's contribution to the South African economy and society through Thought Leadership articles | |
| Key metrics and objectives tracked to monitor value delivered | <ul style="list-style-type: none">Non-governmental organisations engagement score = 50% (FY 22: 57%)  | VALUE DELIVERED  |



SAICA'S OPERATING MODEL

During 2021, SAICA realigned its organisational structure to streamline collaboration, ensure focused and sustainable implementation of the strategy, improve service delivery and increase member satisfaction. No jobs were affected, although some reporting lines were changed and the Nation Building division was renamed to Learning, Development and National Imperatives. A key success factor underpinning SAICA's operating model is the digitisation journey to improve operational efficiencies and increase member value, see page 100.



David Shapiro CA(SA)
Chief Global Equity Strategist: Sasfin Securities
Difference Maker

CREATING AWARENESS THROUGH ADVOCACY

A PASSION FOR SOCIAL CHANGE

'You can't look after other people's savings without knowing what's happening in the world, politically economically.' So says David Shapiro CA(SA), winner of the SAICA Difference Makers Award for Social Impact. Recognised for his unwavering dedication, David consistently works to improve lives and address key societal issues. Through philanthropic initiatives tackling poverty, education, and healthcare, David's leadership and advocacy raises awareness, inspiring further action and amplifying the impact of his endeavours. David's passion for social change makes him an exceptional and deserving recipient of the Social Impact Award.



HUMAN CAPITAL

By prioritising employee development, engagement and well-being, SAICA has created a strong foundation for sustainable growth and success. Our employees are the driving force behind our ability to deliver value to all stakeholders.

KEY FOCUS AREAS IN SUPPORT OF STRATEGY

| STRATEGIC PILLAR | FOCUS |
|---|---|
|  | <ul style="list-style-type: none">Employee engagementOrganisational culture and integrated organisational identity through shared valuesTalent management (talent acquisition and succession planning)Employee-centric holistic wellnessEmployee development and experiential learningPerformance-based reward and recognition |

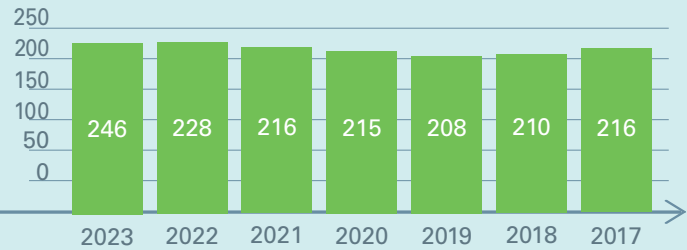
HUMAN CAPITAL STRATEGY

SAICA’s human capital strategy aims to engage and enable employees through the creation of a great employee experience.

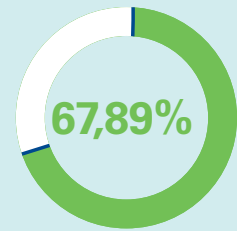
The human capital strategy and initiatives are implemented by the Human Capital (HC) function and are overseen by the Human Resources and Remuneration Committee. The goal is to build a leadership brand that attracts the best calibre of talent to enhance a high-performance culture by linking performance with rewards and recognition to enable an environment where employees are engaged to serve with passion and excellence, and to grow.

As at 31 December 2023, SAICA had 246 staff members (2022: 228), 67,89% of whom were women (2022: 68%); 85% were deemed historically disadvantaged South Africans (HDSA) (2022: 84%).

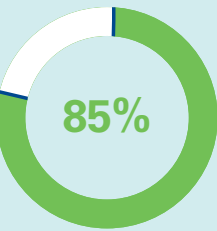
SAICA HEADCOUNT



WOMEN EMPLOYEES



HDSA EMPLOYEES



KEY INITIATIVES TO CREATE VALUE IN 2023

| FOCUS AREAS | |
|---|--|
| ACTIVITIES | IMPACT/ DIFFERENCE MADE |
| EMPLOYEE ENGAGEMENT | |
| <p>SAICA conducts annual employee engagement surveys to gauge employees’ experiences within the organisation. These surveys provide valuable insights into employees’ priorities, highlight areas for improvement, and offer feedback on SAICA’s performance as an organisation</p> <p>In addition, SAICA administered an employee engagement pulse survey to gather feedback on specific areas identified for improvement from the main employee engagement survey</p> | <p>The overall SAICA employee engagement score improved from 74,66% to 83,6%</p> <p>The Pulse Survey Report culminated in an actionable plan that SAICA augmented on the main action plan to further improve employee engagement levels</p> |
| ORGANISATIONAL CULTURE AND INTEGRATED ORGANISATIONAL IDENTITY THROUGH SHARED VALUES | |
| <p>The revamped SAICA values were kept vibrant to create values ownership at all levels, instil a sense of authenticity and ensure an integrated organisational identity</p> <p>The revamped MIPART values were incorporated into the Employee Recognition Awards to encourage all employees to embody the values. The awards were rebranded as MIPART Difference Makers Awards, which are held quarterly</p> | <p>The MIPART Difference Makers Awards inspire employees to embody our values, contributing to the high-performance culture we aim to establish within the organisation</p> |
| TALENT MANAGEMENT AND SUCCESSION PLANNING | |
| <p>SAICA’s ambition to be the employer of choice is supported by a robust and engaging talent management framework that focuses on ensuring effective business continuity through skills acquisition and retention</p> <p>To achieve this, SAICA has developed a Comprehensive Talent Management Framework (CTMF) and a Talent Acquisition Framework (TA) which is integrated within the broader CTMF. These frameworks offer a targeted strategy for talent management and succession planning, ensuring proactive attraction, engagement, development, and retention of high-calibre talent aligned with SAICA’s strategic objectives</p> | <p>The CTMF plays a pivotal role in identifying positions targeted for succession planning, talent engagement, career development, mobility and retention. It also uses the Performance Potential Grid to assess talent performance, potential and aspirations, leading to the creation of structured development plans</p> <p>The TA Framework proactively anticipates future staffing needs aligned with business requirements. This strategy positions the organisation effectively in the talent market by enhancing candidate experience, offering Employee Value Proposition (EVP), leveraging sourcing platforms, and optimising recruitment processes and systems to attract top talent amidst evolving talent expectations and increasing demands</p> |

| FOCUS AREAS | |
|---|--|
| ACTIVITIES | IMPACT/ DIFFERENCE MADE |
| EMPLOYEE-CENTRIC HOLISTIC WELLNESS | |
| <p>SAICA prioritises employee wellness by investing in various initiatives aimed at promoting overall well-being. The Wellness Framework emphasises four pillars: mental health, financial wellness, social well-being, and physical health</p> <p>In response to heightened challenges post-COVID, particularly in mental health, SAICA has intensified efforts to provide support and foster resilience among employees</p> <p>Initiatives include financial wellness sessions, mental health first aid training for managers, a global wellness day promoting physical exercise, and a wellness day in partnership with CAMAF and Multiply to assess employee health data and implement targeted interventions</p> | <p>The wellness initiatives contributed significantly to enhancing the overall health of SAICA employees</p> <p>The programmes culminated in the reduction of reported health and wellness issues on the employee wellness programme</p> |
| EMPLOYEE DEVELOPMENT AND EXPERIENTIAL LEARNING | |
| <p>A skills gap analysis was conducted using employees’ personal development plans (PDPs), informing the development of a workplace skills plan (WSP). The identified training needs were addressed through various job-related training programmes, with 223 employees participating in those programmes with a total investment of R3,7 million. The programmes focused on enhancing core and functional capabilities across the SAICA value chain</p> <p>HC oversees the study assistance programme to empower employees to further their educational qualifications and harness their skills and competencies with accredited institutions of higher learning. 37 employees were awarded study assistance with a total investment of R1,7 million</p> | <p>The learning and development interventions contribute to building key capabilities which ensure the continued fulfilment of business imperatives</p> <p>The study assistance programme continues to improve employees’ educational profile – four study assistance recipients completed funded programmes. Others are still progressing towards their SAICA-funded academic qualifications</p> <p>The programme offers graduates and learners opportunities to gain hands-on work experience commensurate with their qualifications and career aspirations, thus contributing towards curbing the high rate of unemployment. SAICA absorbed four graduates into permanent roles</p> |



| FOCUS AREAS | |
|---|---|
| ACTIVITIES | IMPACT/ DIFFERENCE MADE |
| EMPLOYEE DEVELOPMENT AND EXPERIENTIAL LEARNING | |
| <p>HC also oversees an intensive cross-functional graduate/internship and a learnership programme aimed at building capacity and talent supply, particularly in business areas where there are scarce and critical skills. These programmes operate under the auspices of the Finance and Accounting Services Sector Education and Training Authority (FASSET). 31 graduates and learners were hosted across various business units</p> | <p>The employee development and experiential learning programmes contributed towards the achievement of SAICA employment equity targets and improvement in the SAICA B-BBEE level from Level 4 to Level 2</p> |
| REWARD AND RECOGNITION | |
| <p>SAICA incentivises performance and duly rewards employees who meet or exceed the organisation’s objectives. This is done through performance-based incentives that are tied to the three organisational tiers, namely individual employee performance, divisional performance and overall SAICA performance</p> | <p>The performance-based incentives motivate employees to perform at optimum levels and this has culminated in SAICA achieving an overall performance rating of 3,52 out of 5 in the reporting period</p> |



BUILDING BRAND EQUITY

WHAT WE DO TO MAKE A DIFFERENCE

The Brand and Marketing Division of SAICA plays a pivotal role in driving the relevance and reputation pillar of the corporate strategy, whilst supporting the delivery of the other strategic pillars. In so doing, it is shaping the reputation of the accountancy profession and the Institute globally by positioning the profession, its members and its associates not only as trusted and ethical leaders but also as difference makers in society.

This was achieved through the implementation of an integrated brand and marketing strategy to actively promote SAICA and its designations (CA(SA), AGA(SA) and AT(SA)), as well as partnerships with Thuthuka, The Hope Factory and SAICA ED. To ensure a well-orchestrated and unified brand experience, the various brand, marketing and communication activities were weaved together with ‘Difference Makers’ as the golden thread. The collective effort of the Brand and Marketing and other SAICA divisions resulted in the global position and recognition of SAICA and its CA(SA) designation as ‘the number 1 trusted’ in the world according to Edelman Dxl Research, 2023 as well as an uplift in key brand health indicators.*

KEY FOCUS AREAS IN SUPPORT OF STRATEGY

| STRATEGIC PILLARS | FOCUS AREAS |
|---|---|
| <div>Member Value</div> | <ul style="list-style-type: none">• Strategic Brand Management• Integrated Marketing Communications (IMC) / Integrated Go-to-Market (IGTM)• Corporate Communications• Digital Marketing• Publishing• Commercial and Business Development• Seminars and Events |
| <div>Relevance and Reputation</div> | |
| <div>Growth and Transformation</div> | |
| <div>Organisational Sustainability</div> | |

CA(SA) BRAND METRICS

While the strategy continues to evolve, leading to enhanced coverage and visibility of other designations, it is important to note that, from a brand health tracking perspective, the CA(SA) designation received the lion’s share of the resources. As a result, the following brand metrics specifically reflect the impact on the CA(SA) designation:

*Based on research done by Edelman Dxl in collaboration with Chartered Accountants Worldwide.

| | Stakeholder | 2023 | 2022 | 2021 | 2020 | 2019 |
|--|----------------------------------|-------------|--------|------|------|------|
| Attractiveness | | | | | | |
| PHI ¹ CA(SA) Attractiveness Index | Learners, students, and trainees | 89,50% ↑ | 86,16% | 90% | 87% | 87% |
| Relevance and Reputation | | | | | | |
| PHI Brand Admiration Index | All stakeholders | 82,67% ↑ | 79,89% | 79% | 77% | 95% |
| Brand strength of the CA(SA) designation | | | | | | |
| Spontaneous Awareness Index | Business decision-makers | 89% ↓ | 92% | 94% | 90% | 87% |
| Preference in Employees Index | | 77% ↑ | 68% | 78% | 74% | 67% |
| Net Promoter Score ² | | 31% ↓ | 34% | 29% | 37% | 36% |
| Trust Index | | 84% ↑ | 83% | 83% | 84% | 80% |
| Admiration Index | | 75% ↑ | 70% | 73% | 68% | 68% |

¹ Professional Health Index.
² Percentage of respondents encouraging their children to become CAs(SA).

OVERALL PERFORMANCE OF THE CA(SA) BRAND METRICS

There was overall positive performance of the CA(SA) designation, especially when looking at it together with the outcomes of the Edelman Dxl research 2023.

Some of the key insights

- Albeit an increase in spontaneous awareness amongst CA(SA) respondents, there was a decline in spontaneous awareness amongst the Non-CA(SA) group, resulting in a net decline. This could be attributed to the level of marketing investment relative to the intended objectives. The revised corporate strategy aims to address this issue by reassessing the level of marketing investment.
- The decline in the Net Promoter Score (NPS) also came from the Non-CA(SA) responder group.
- Worth highlighting and celebrating is that the biggest percentage uplift was noted in admiration coming from the Non-CA(SA) group, which means that if we resolve the marketing investment constraints (spontaneous awareness) and convert more detractors (NPS), we can use the attractiveness indicator to positively contribute to the Attractiveness and Transformation pillar of the new strategy.

KEY INITIATIVES TO CREATE VALUE IN 2023

Communication activities

The focus for 2023 was two-fold: increasing member value by enhancing member communication, as well as ongoing media and stakeholder management to increase relevance and reputation. This was done by:

- Showcasing thought leadership
- Intentionally and consistently driving the positioning of ‘difference makers’ and telling positive, inspirational, and ethical stories about the Institute and its members
- Demonstrating market leadership
- Focusing on national imperatives and socio-economic relevance
- Advocating in the public interest, and
- Showcasing accountability

SAICA’s proactive media engagement resulted in positive media exposure to the advertising value equivalent (AVE) of R67,3 million and a decline in total negative media exposure. Only 4,8% (vs 5,3% in 2022) of SAICA’s total exposure was negative due to allegations against a small number of SAICA members.

From a member communication perspective, SAICA streamlined and revamped its member communication, which has positively resulted in reduced frequency and increased engagement. To ensure continued relevance, member communication was aligned to the corporate strategy pillars to increase members’ trust in their institute as well as continue with trust restoration in the interest of the public.

| THE INTEGRATED COMMUNICATION PLAN IN A NUTSHELL | |
|---|---|
| KEY INITIATIVES | IMPACT/DIFFERENCE MADE |
| MEMBER PROFILING | |
| Member profiles published in external media | Underpinned by our ethos of ‘difference makers’, SAICA seeks to showcase the good work of our members by profiling them externally (see equivalent advertising value noted above) |
| THOUGHT LEADERSHIP | |
| Showcasing our staff and members as thought leadership externally | SAICA published 87 thought leadership articles externally, which achieved 157 media exposures to the advertising value equivalent (AVE) of R9,5 million |
| TRUST LEADERSHIP AND SHOWCASING ACCOUNTABILITY | |
| Showcasing the work of SAICA’s disciplinary and legal team to ensure members who bring the profession into disrepute are held to account | SAICA was the first organisation to hold a member to account that was mentioned in the Zondo Commission reports SAICA engages with the media regularly regarding our disciplinary processes and how we ensure that we follow a fair, legal process for the benefit of all SAICA’s trust leadership media exposures amounted to 181 exposures to the advertising value equivalent (AVE) of R10,9 million |
| NATIONAL IMPERATIVES | |
| The impact of our professional development, Thuthuka, and exams teams cannot be overstated | SAICA’s national imperatives achieved 144 media exposures to the advertising value equivalent (AVE) of R5,8 million. In addition, SAICA published a Sustainable Development Goals Impact Report which showcases the work our members do to ensure a sustained future for all. The full report can be viewed here |
| ADVOCATING IN THE PUBLIC INTEREST | |
| Communications support for our technical teams who work daily with the government and industry bodies to ensure a better South Africa for all | The work of SAICA’s technical team was showcased in the media and achieved 363 media exposures to the advertising value equivalent (AVE) of R16,3 million |

| MEMBER EMAIL COMMUNICATION | |
|--|---|
| Revamped the member email communication to send fewer emails with more concise, clear content to drive member engagement | The new approach aims to refer members directly to the website for all relevant content while sending fewer emails to ensure optimal engagement |

Marketing activities

Marketing was largely focused on various brand-building initiatives, as well as deploying integrated marketing communications to support various business objectives SAICA-wide.

| KEY INITIATIVES | IMPACT/DIFFERENCE MADE |
|--|---|
| STRATEGIC BRAND MANAGEMENT | |
| ‘Difference makers’ positioning | A primary objective was to entrench the ethos of ‘difference makers’ in the market using various touchpoints, targeting our diverse audiences, establishing a cohesive golden thread that connects all brand, marketing, and communication initiatives. This has resulted in an increased awareness, understanding and adoption of this positioning both internally and externally |
| Launch of the first SAICA podcast, namely SAICABiz, to promote SMPs’ expertise among SMMEs | The SAICABiz platform spotlights SAICA’s small and medium practitioners (SMPs) as trusted business advisors offering tailored support and advice to SMEs. Through this initiative, we aim to bridge knowledge gaps, empowering small businesses to make informed decisions, navigate challenges, and achieve sustainable growth confidently. Additionally, we enhance the brand value of SAICA accredited practitioners by profiling them and positioning them as the go-to business experts and Difference Makers. The campaign advertising strategy included high traffic news and business media platforms such as News24, Business Tech and Google adverts, as well as social media touchpoints |
| SAICA’s first globally affiliated youth brand campaign | SAICA launched the CAW global youth campaign with an African twist, resonating with South African youth. It aimed to position the profession as purpose-led and promote SAICA members as difference makers driving positive change. Featuring trainees and young members/associates as influencers focused on youth issues, the campaign inspired young individuals to become difference makers and future members of SAICA. Advertising on platforms such as TikTok, Instagram and Facebook, as well as student and learner portals, it garnered over 130 000 views on YouTube in two months, performing at or above industry benchmarks. Due to its success, the campaign will continue into 2024 |
| Business Decision-makers Campaign | The campaign’s objectives were to raise visibility and position the SAICA designations among business decision-makers, to drive a favourable brand net promoter score, and influence the awareness and recommendation of SAICA designations. Although we are seeing a decline in the NPS score among decision-makers, we are seeing a slight increase in the employee preference index |
| INTEGRATED MARKETING COMMUNICATIONS | |
| Introduction of integrated marketing communications | Integrated marketing communications (IMC), which is also referred to as integrated go-to-market (IGTM), was implemented to streamline and unify all marketing and communication efforts across SAICA. This approach aimed to maximise impact by ensuring consistent messaging across all touchpoints, ultimately creating a unique and unified SAICA brand narrative and experience. This included defining IMC, developing a strategy, mapping an end-to-end process and deploying campaigns to support brand and divisional objectives |

Digital Communication and Publishing

The Digital Communication and Publishing function’s focus for 2023 was on enhancing SAICA’s digital strategy across owned, earned and paid platforms, as well as exploring the evolution of *Accountancy SA* magazine.

| KEY INITIATIVES | IMPACT/DIFFERENCE MADE |
|--------------------------------|--|
| DIGITAL CONTENT AND PUBLISHING | |
| Social media | SAICA's social media with dedicated followers grew on average by 14,78% across the key social media channels, with a member satisfaction of 75, 56%. The SAICA Instagram page was also introduced and has shown significant growth. SAICA's YouTube views surpassed one million and its LinkedIn followers surpassed 100 000 |
| | The growth across the social media platforms is shown below |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| Website | Website member satisfaction increased from 58% in 2022 to 61,65% in 2023 due to the implementation of the website strategy to improve member experience. The website also attracted 86 000 more visitors this year due to increased search engine optimisation efforts |
| | Another milestone was the shutdown of the www.SAICA.co.za website, which was essentially a duplication of the current website and resulted in a disjointed user experience |
| Accountancy SA | <i>Accountancy SA</i> magazine currently has a distribution of 57 508 digital readers and publishes some 100 pages of value per issue to members in 11 issues per annum, with a member satisfaction of 85% (FY22: 83%) |



Commercial initiatives

| KEY INITIATIVES | IMPACT/DIFFERENCE MADE |
|----------------------------------|---|
| BUSINESS DEVELOPMENT | |
| Sales | Commercial revenue totalled R13,9 million, the highest in seven years Sponsorship: R9,5 million (FY22: R6,2 million) Advertising: R1,4 million (FY22: R1,6 million) Finance Leaders: R3,0 million (FY22: R2,3 million) Commercial revenue increased by 26% (R3,6 million) from 2022 and Finance Leaders delivered a revenue surplus |
| New client growth | 18 new clients sponsored SAICA events. About 70% of SAICA clients are in the FinTech industry. Much of SAICA's thought leadership, content and events that focus on the 'future CA' create good opportunities and engagements for new clients (with technology services and products) |
| Finance Leaders | SAICA's fifth Finance Leaders Conference delivered over R3 million in revenue and involved 800 delegates, 70 speakers and more than 30 exhibitors. The event's strategic partners included the Institute of Directors (IoD), Business Leadership South Africa, Exclusive Books, Lift Airline and Heavy Chef. The event made a surplus and has become a business conference flagship for SAICA and its members |
| COMMERCIAL DELIVERY | |
| Internal and external management | Communications and administration with SAICA's technical, regional and brand teams – as well as Risk, Legal, Finance and Procurement – were ably managed to support the commercial opportunities and requirements at SAICA |



Experiential events delivery

The Seminars and Events function’s focus for 2023 was on developing an integrated experiential strategy for SAICA whilst evolving the current seminars and events delivery approach to experiential marketing. Here the focus is on delivering a unique, unified, and consistent brand experience that goes beyond just the technical delivery of an event or a seminar. The deployment of this integrated experiential approach commenced in 2023 and will expand in 2024.

| FOCUS AREA | KEY INITIATIVES | IMPACT/DIFFERENCE MADE | |
|--------------------------------|---|------------------------|-----------|
| Hosting of experiential events | 127 national events were delivered on behalf of SAICA business units as follows: | | |
| | Format | Number | Attendees |
| | National webcasts | 118 | 46 061 |
| | Face to face | 9 | 1 897 |
| | <p>The overall rating for the organisation of events by attendees was 4,47/5(FY22: 4,46/5).</p> <p>June 2023 was a milestone for this delivery team when a new events booking system was launched on the SAICA website in collaboration with the Ushintsho programme. This system alleviates the frustration that members were experiencing with booking errors, login challenges and system downtime caused by the instability of the previous booking system.</p> <p>Notable improvements on the new system include:</p> <ul style="list-style-type: none">• A single login• Ability to pay immediately with a credit/debit card• Automatic receipt of invoices• Option to select more than one event within a series as part of a single booking• Search function on the events home page <p>Additional improvements which will enable the experiential strategy are expected in 2024.</p> | | |
| | <p>Flagship face-to-face experiences included:</p> <ul style="list-style-type: none">• Chairman’s Difference Makers Awards event• Public Sector Summit• Climate Change Conference• Trainee Trailblazers Awards event• Top 35 Awards event• Finance Leaders Conference <p>All of these received high attendee ratings, indicating a move in the right direction.</p> | | |





MEMBER ENGAGEMENT

WHAT WE DO TO MAKE A DIFFERENCE

The Member Engagement division of SAICA plays a pivotal role in ensuring that members remain respected, recognised, and relevant for the future. Member engagement takes place through a structured approach tailored to meet the diverse needs and expectations of members, encompassing their age, location, role, industry, and years of experience. By fostering meaningful connections and continuous engagement, the division strives to elevate the overall member experience at every interaction with SAICA.

The division’s dedication to member engagement is exemplified by its commitment to clearly articulating the member value proposition (MVP) associated with becoming a member or associate of SAICA. This MVP highlights the myriad of benefits that membership unlocks, empowering individuals to make informed decisions about their professional development and career advancement.

KEY FOCUS AREAS IN SUPPORT OF STRATEGY

| STRATEGIC PILLAR | FOCUS |
|--|--|
|  MEMBER VALUE | <ul style="list-style-type: none">• Development of the member value proposition and constituency value analysis• Engagement with fellow institutes worldwide• Improve member satisfaction and visibility• Member mental wellness programmes |
|  RELEVANCE AND REPUTATION | <ul style="list-style-type: none">• Member and stakeholder engagement• Understanding member needs• Member segmentation• Engaging with regional councils and district committees |



2023 AT A GLANCE

Practices portfolio

Early in 2023, the responsibilities of the Member Engagement division were expanded to incorporate the Practices portfolio, which had previously resided within the Standards division.

The move commenced with recapacitating this portfolio and was followed by direct engagements with members in practice throughout the country. A total of 79 practitioners were engaged during this process, enabling a thorough understanding of the circumstances in which our members operate and the strengths and challenges that the operating environment produces. A comprehensive project plan was developed as a direct result of these engagements which was approved by the national Small and Medium Practices (SMP) interest group.

A particular set of engagements was facilitated between SMPs who are registered auditors and the Independent Regulatory Board for Auditors (IRBA). This saw Member Engagement and the IRBA Standards department engage 46 registered auditors and three ADP candidates from 30 small audit firms throughout the country. The engagements were very well received by members and the IRBA, and the outcomes of these engagements have resulted in initiatives aimed specifically at small audit firms that will continue into 2024 and beyond.

Strategic engagements

Over 120 engagements were conducted as part of a separate project aimed at cementing relationships with influential chartered accountants within specific industries or geographical areas. These relationships will enable SAICA to call on a greater range of members when insights into specific industries or expertise are required, thus benefiting the entire membership.

The specific engagements described above are in addition to the numerous formal engagements that the Member Engagement team conducts on an ongoing basis throughout the year, not just in South Africa but wherever there are a considerable number of members throughout the world. An additional member committee was formed in Ireland during the year, further enabling the reach of support available to members outside of South Africa.

Member engagement and networking

Approximately 950 members attended a total of 97 formal council and committee meetings, averaging almost two meetings per week for the entire year. This provided Member Engagement with detailed insights and intelligence spanning the entire global membership. Such close formal working relationships with members enable SAICA to respond to developing requirements in a relevant and timely manner and to ensure that members remain supported and enabled. Regional councils self-evaluated their overall effectiveness at an average score of 4,11 out of 5.

Support includes the delivery of networking and learning opportunities. A total of 7 895 members attended the 179 events hosted by Member Engagement (this excludes events hosted by Standards, Learning and Development, and other divisions within SAICA). Attendees rated the overall effectiveness of the Member Engagement events as excellent: 4,71 out of 5. The events include the flagship spring and summer conferences hosted by the Northern and Central regions respectively, and three conferences aimed at younger members in Johannesburg, Durban and Cape Town.

Member engagement across borders

In addition to the engagement with members outside South Africa by SAICA executives from other divisions, the Member Engagement team conducted engagements in Namibia, the UK, Ireland, the Netherlands and Australia. These engagements with members and member committees (except in Namibia) facilitate valuable insights into the unique needs of members in these jurisdictions, the support available to members via their committees, the support that is still required from SAICA to both the committees and the members, as well as an understanding of the practical operational nuances that exist in each country.

November 2023 saw the launch of the South African of the Year in Australia Awards. The awards aim to showcase the contribution that South Africans have made to Australian society and the Australian economy in a manner that highlights the global relevance of the CA(SA) designation and its contribution to excellence beyond borders. The launch was very well received by our members and sponsors. The first awards will be made in 2024.

KEY INITIATIVES TO CREATE VALUE IN 2023

Communication activities

| KEY INITIATIVES | IMPACT/DIFFERENCE MADE |
|---|--|
| SMALL AND MEDIUM PRACTICES (SMPS) | |
| Country-wide introductory roadshow | Introduce the newly appointed Project Director: Practices and understand the operating environment, resulting in a detailed work plan to address specific requirements |
| REGISTERED AUDITORS (RAS) | |
| Facilitated direct discussions between RAs in small firms and the IRBA | Enabled the regulator to better understand the operating environment of small audit practices and allowed RAs to express their views on the impact that regulations have on their practices. The feedback has resulted in closer cooperation between the regulator and SAICA |
| RELATIONSHIP BUILDING | |
| Worldwide project aimed at increasing engagement between members who are influential within specific spheres of the profession | The ability to gain insights into various spheres of the profession enables SAICA to identify impactful events and circumstances within the profession and respond with speed and relevance |
| SUPPORT TO INTERNATIONAL MEMBERS | |
| 122 events were held with members outside South Africa | SAICA's support for members outside the country continues to grow, with a new committee being established in Ireland, the rejuvenation of the Bermuda and Brisbane chapters, and the expansion of the Chartered Accountants Worldwide Network USA to Canada. Members rated our international events 4,7 out of 5 for quality, relevance and impact |
| MEMBER SUPPORT | |
| Member Engagement is responsible for five regions spanning the globe. These regions consist of over 35 smaller member-driven committees | Member Engagement's reach extends to grassroots member committees, facilitating detailed intelligence gathering at a micro level. This deep understanding of members enables SAICA to respond to developments in the profession swiftly and accurately and address operational difficulties faced by members |



STANDARDS

WHAT WE DO TO MAKE A DIFFERENCE

SAICA’s Standards division drives advocacy and thought leadership, empowering members to impact the economy and society positively. The division contributes to proposed standards and legislation, engaging stakeholders through various media channels. Collaborating with members and global standard setters, it shapes consensus, providing the knowledge for excellence and advocacy to influence effective legislation and standard-setting, as well as public policy.

KEY FOCUS AREAS IN SUPPORT OF STRATEGY

| STRATEGIC PILLAR | FOCUS |
|--|--|
|  MEMBER VALUE | <ul style="list-style-type: none">• Developing and hosting thought leadership interventions, products and events with the latest in current and future standards, policy and technical positions• Focused technical and operational support and guidance for members• Promoting members’ interests, skills and competencies at a local and international level• Assisting members to engage stakeholders on procedural and administrative challenges |
|  RELEVANCE AND REPUTATION | <ul style="list-style-type: none">• Formulating a view on technical standards and policy on behalf of the profession in collaboration with members and structures• Engaging stakeholders to advocate SAICA's technical and standards policy positions both locally and internationally• Collaborating with stakeholders to inform processes and implement improved standards in the best interests of the membership, the profession, the capital markets and the broader economic society• Playing an advocacy role in improving legislation within the private and public sectors• Ensuring the future relevance of the profession• Promoting and supporting the leadership roles members are expected to play in the economy and society• Representing SAICA on both local and international decision-making and advocacy platforms and structures• Leading SAICA's integrated ethics plan |

2023 AT A GLANCE

Inaugural public sector summit

In the first of its kind for SAICA, the Standards team hosted a hybrid event attended by a capped number of 220 face-to-face attendees that included high-profile panellists who came together for a common message – public sector reform requires time and investment as well as skills investment from the private sector. This platform spotlighted SAICA's career mobility project and gained significant attention on LinkedIn, reaching over 10 000 viewers – a record achievement for the Standards team.

Launch of the ISSB standards

SAICA Standards was privileged to officially launch the ISSB standards in South Africa at a prestigious event hosted at the Johannesburg Stock Exchange. This signifies SAICA's strong belief that sustainability reporting and its integration into the corporate environment are key to enhancing the efficacy of corporate reporting and providing an informed view for investors and stakeholders alike.

Hosting of the IASB'S EEG advisory group

SAICA Standards again hosted a global standard-setter. The EEG meeting held in Cape Town in October 2023 is a platform for emerging economies to give insights and feedback to standard-setters ahead of the release of new IFRS standards and revisions to existing ones. This represents the culmination of advocacy efforts, enabling direct dialogue with the standard-setter in a productive and collegial setting. SAICA is proud to represent its members in constructive conversations with the IASB.

Compliance in-practice series

The third product of the popular in-practice series provided members with valuable insights and solutions to the ever-growing and increasing compliance requirements facing SAICA members in business. The product facilitates direct communication between regulators and SAICA members, providing an opportunity for regulators to share their perspectives and offer clarity while allowing members to actively listen, learn and ask questions first hand.

KEY INITIATIVES TO CREATE VALUE IN 2023

Standards seminars and events

The Standards division hosted 98 events in 2023 (FY 22: 88) focusing on thought leadership, advocacy and member support with an average attendee rating of 4,38/5 (FY 22: 4,41/5).



| THE TABLE BELOW HIGHLIGHTS THESE KEY EVENTS | |
|--|--|
| KEY SEMINARS | IMPACT/ DIFFERENCE MADE |
| THOUGHT LEADERSHIP | |
| Ethics in Practice | Members received practical advice to help them deal with ethical matters/dilemmas which contribute to the protection of the reputation of the profession |
| ADVOCACY | |
| Public Sector Summit 2021/22 MFMA Audit Outcome webcast 2022/23 PFMA Audit Outcome webcast Budget 2023: Analysis | Advocacy events allowed SAICA to engage key stakeholders on critical matters impacting the country and the profession. This has enabled the profession to be part of or offer solutions on matters impacting the economy and society |
| CORPORATE REPORTING | |
| SAICA's inaugural Climate Change Conference Launch of the IFRS Sustainability Disclosure Standards (ISSB standards) in South Africa | These events provided members with direct access to experts and global leaders in this rapidly evolving field of sustainability and climate and the pivotal role accountants play therein |
| MEMBER SUPPORT | |
| Code Refresher Seminar Tax in Practice Tax Practitioner induction | These events enabled members to obtain and maintain the requisite skills required for members to perform their jobs at the required competency level |

| ETHICS STANDARDS | |
|--|---|
| KEY INITIATIVES | IMPACT/ DIFFERENCE MADE |
| SAICA CODE OF PROFESSIONAL CONDUCT (SAICA CODE) | |
| Maintenance of the SAICA Code to ensure alignment with the International Ethics Standards Board for Accountants (IESBA) and IRBA Code, and its relevance to the profession | SAICA Code complies with international and local standards and protects the relevance and reputation of the profession |
| ADVOCATING FOR HIGH ETHICAL STANDARDS AND LEGISLATION LOCALLY AND INTERNATIONALLY | |
| SAICA made a number of key ethics submissions on behalf of the membership, including to the Department of Justice and Constitutional Development on 'Proposed reforms for whistleblower protection regime in South Africa'(Discussion Paper) | The submissions provided the profession's views on significant amendments to standards and legislation, including contributing to reforms for the whistleblower protection regime in South Africa, which has an impact on the public interest |

| PUBLIC SECTOR | |
|--|--|
| KEY INITIATIVES | IMPACT/ DIFFERENCE MADE |
| PROFESSIONALISATION OF THE PUBLIC SECTOR | |
| The lack of skilled resources within the public sector contributes to the deterioration in public finance management and audit outcomes SAICA supports the implementation of the framework for the professionalisation of the public service and is collaborating with several public sector institutions to professionalise the finance divisions | Increase of professionals in finance divisions in the public sector to improve public finance management |
| ADVOCATING FOR IMPROVED LEGISLATION AND STANDARDS IN THE PUBLIC SECTOR | |
| Public finance legislation and standards are critical in the public sector to assist government in regulating financial management and ensuring that public funds are used for their intended purpose Several advocacy submissions were made to improve public finance management and governance, including a submission on the Public Procurement Bill | The submissions provided the profession with the opportunity to provide government with recommendations to improve legislation and standards that will positively impact the economy and society |
| CAPACITY-BUILDING | |
| The public sector experiences many challenges, including a lack of abilities, processes and resources to support communities and the economy The capacity-building projects looked at empowering CFOs within the public sector with technical skills to enable them to prepare credible financial statements and improve public finance management | These events provided members with direct access to experts and global leaders in this rapidly evolving field of sustainability and climate and the pivotal role accountants play therein |
| CAREER MOBILITY | |
| Research was performed on the ability of members and associates to transition between the private and public sectors | SAICA's ability to develop a plan to address career mobility challenges experienced by members and associates |



| TAXATION | |
|--|--|
| KEY INITIATIVES | IMPACT/ DIFFERENCE MADE |
| CONTRIBUTING TO THE FINALISATION OF A FISCAL BUDGET THAT IS IN THE BEST INTEREST OF SOUTH AFRICA | |
| Raising public awareness and seeking oversight action from Parliament on: <ul style="list-style-type: none">• Addressing the culture of non-payment by government• The lack of a culture of accountability and Parliament's role• Parliament's lack of adjustments since 2009 to the budget notwithstanding public concerns about various matters• The incompleteness of the budget as it relates to known financial exposures and liabilities• The lack of fiscal discipline and overspending on budgets• The lack of action on the impending water crisis | SAICA's comments were included in the Report of the Standing Committee on Finance on the 2023 Fiscal Framework and Revenue Proposals for adoption by the National Assembly |
| ENABLING A PROGRESSIVE TAX SYSTEM | |
| Submission to the OECD on amount B of Pillar 1 BEPS on enhancing clarity for African countries on the categorisation of baseline marketing and distribution costs Submission requesting the expansion of the solar incentive programme Research on the impact of discontinuing the learnership tax allowance and submission on why it should be retained Submission and stakeholder engagements on the deductibility of unproductive interest | The comments were noted for consideration: <ul style="list-style-type: none">• Currently not accepted due to fiscal constraints• Will be considered with announcements in Budget 2024• Legislative proposal included to replace practice note and expanded and revised |
| ADVOCATING FOR A JUST TAX SYSTEM | |
| Submissions and engagements on the legal concerns and unfairness of the auto-assessment process and disputes SARS engagements and legal opinion obtained on concerns regarding SARS' audit practices and its compliance with the legal requirements SARS engagements on expanded tax practitioner regulatory requirements and our concerns | Certain unclear provisions will be clarified in law SARS has provided further clarifications of how it will implement due process. Further engagements will take place in 2024 SARS have conceded or amended certain proposals. Further engagement will take place in 2024 on remaining concerns and the negative impact on the tax profession |

| TAXATION | |
|--|--|
| KEY INITIATIVES | IMPACT/ DIFFERENCE MADE |
| A FAIR, EFFECTIVE AND EFFICIENT ADMINISTRATION OF THE TAX SYSTEM | |
| Various regional and national SARS engagements on system and process concerns Engagements with new Tax Ombud on mandate and independence concerns | Various system fixes and process updates introduced for taxpayers Further collaborations in 2024 to explore and document a position on these matters to enhance the Office of the Tax Ombud |
| ADVOCATING FOR AN ETHICAL TAX PROFESSION | |
| IESBA engagement on concerns on draft code amendments on aggressive tax planning | Revisions and clarifications were introduced |



| AUDIT AND ASSURANCE | |
|---|--|
| KEY INITIATIVES | IMPACT/ DIFFERENCE MADE |
| AUDIT REFORM AND RESTORING TRUST IN THE AUDITING PROFESSION | |
| <p>The auditing profession plays a crucial role in ensuring the stability of the financial market system and attracting investments to the country.</p> <p>Transparent and accurate financial reporting is essential for investors to make informed decisions on how to allocate their investments. This is even more important for a developing country like South Africa.</p> <p>SAICA hosted four audit reform events in 2023 focusing on topics that will shape the future of the profession. These include:</p> <ul style="list-style-type: none">• The impact of digital technologies on the profession, including artificial intelligence• How auditors can play a more meaningful role in detecting fraud• Promoting the attractiveness of the profession <p>Discussions on the establishment of the Centre of Audit Quality (CAQ) have advanced within the SAICA structures</p> <p>SAICA is currently working through various proposals to ensure that all risks associated with establishing such an entity under its structure are addressed</p> | <p>In the 2023 Edelman Survey, trust in South Africa’s auditing profession was ranked number one amongst leading institutes in the world</p> <p>SAICA identified members from its structures and firms throughout South Africa within the assurance constituency and profiled the incredible work that they are doing in order to create exposure about the importance of the profession in the wider financial reporting ecosystem</p> <p>The key objective and purpose of the CAQ is to produce thought leadership and research and to advocate for views that will advance confidence in South Africa’s auditing profession. Enhancing trust in the auditing profession will play an important role in strengthening the capital markets by ensuring that local entities are able to meet the increasing expectations of investors and other stakeholders. The CAQ will contribute the perspectives of the South African auditing profession to advance the discussion on issues relating to audit quality and trust in the capital markets</p> |
| ADVOCACY ON BEHALF OF MEMBERS | |
| <p>SAICA made various submissions to the IAASB, IRBA and other local regulators</p> <p>A key submission was on the need to ease the regulatory burden on small businesses in South Africa. This was in response to the proposed Companies Amendment Bill where SAICA made written and oral submissions to Parliament. Amongst SAICA’s proposals was the need for the Companies Act to consider a review and increase of the public interest (PI) score as well as to reduce the regulatory requirements for companies who volunteer to have audits</p> | <p>The parliamentary legal advisor, in response to the submissions made on the Companies Amendment Bill, stated that the comments received on the PI score needing to be increased would be addressed in the Companies Regulations</p> |

| CORPORATE REPORTING | |
|--|--|
| KEY INITIATIVES | IMPACT/ DIFFERENCE MADE |
| ENHANCE THE ROLE OF THE ACCOUNTANCY PROFESSION IN SUSTAINABILITY MATTERS | |
| <p>Conducted research to assess the state of readiness to adopt the ISSB IFRS Sustainability Disclosure Standards and to understand member needs</p> <p>Hosted the launch of the ISSB IFRS Sustainability Disclosure Standards which was attended by various stakeholders including the ISSB board members and technical staff as well as local regulators</p> <p>Hosted SAICA’s inaugural Climate Change Conference</p> | <p>The Sustainability Technical Committee considered a list of Q&As to assist members in navigating the sustainability reporting landscape</p> <p>Collaborations with global accounting bodies including under the Chartered Accountants Worldwide umbrella to influence the global sustainability reporting landscape</p> <p>Engaging and contributing to the global project on sustainability assurance</p> <p>Attended workshops that will shape the future of sustainability reporting</p> |
| ACCOUNTING FOR INSURANCE CONTRACTS | |
| <p>Ongoing engagements via the working groups on IFRS 17 Insurance Contracts on practicalities of the standard</p> <p>Collaborated with IFRS 17 experts to gain a diverse range of insights and perspectives</p> <p>Created an IFRS 17 portal on the SAICA website with relevant IFRS 17 practical resources</p> | <p>Prepares members and auditors alike to have a dedicated and comprehensive page with relevant local and international support material to assist with IFRS 17</p> |
| POST-IMPLEMENTATION REVIEWS OF MAJOR IFRS STANDARDS | |
| <p>Contributions made to the post-implementation reviews of the financial instruments (IFRS 9) and revenue from contracts with customers (IFRS 15) standards.</p> | <p>Improved understanding of IFRS standards to develop guidance and training materials for members while enhancing the relevance of these significant standards</p> |



The below table of local and international forums and bodies are merely examples of the reach of the Standards division and its members who partake to represent the SAICA membership and its views. It is not a complete list.

| LOCAL AND INTERNATIONAL FORUMS AND BODIES |
|--|
| LOCAL BODIES |
| <ul style="list-style-type: none">• SARS-recognised Controlling Body Forum – SAICA chairs this forum• SARB Financial Surveillance Exchange Control Project Group• Specialist Committee on Company law• eXtensible Business Reporting Language (XBRL (SA)) NPC – Local jurisdiction of XBRL International• IRBA – Committee for Auditing Standards (CFAS) |
| INTERNATIONAL BODIES |
| <ul style="list-style-type: none">• ESG Exchange Technical Committee• Global Accounting Alliance (GAA)• International Accounting Standards Board (IASB)• IASB Emerging Economies Group (EEG) – South Africa and SAICA representative• IASB’s SME Implementation Group (SMEIG)• International Financial Reporting Standards (IFRS) Advisory Council• IFRS Interpretations Committee• International Auditing and Assurance Board (IAASB)• International Ethics Standards Board for Accountants (IESBA)• International Federation of Accountants (IFAC)• International Fiscal Association (IFA)• International Public Sector Accounting Board• International Valuation Standards Council (IVSC)• Pan African Federation of Accountants (PAFA)• The Chartered Institute of Public Finance and Accountancy• International Connectivity Council |



LEARNING, DEVELOPMENT AND NATIONAL IMPERATIVES

WHAT WE DO TO MAKE A DIFFERENCE




SAICA’s Learning, Development and National Imperatives division is committed to transforming the accountancy profession and elevating its national importance. Through our comprehensive qualification process, we equip aspiring Chartered Accountants (CAs(SA)), Associate Accountants (AGAs(SA)), and Accounting Technicians (ATs(SA)) with the knowledge, skills, and values they need to excel in the profession. We uphold industry standards through rigorous ITC and APC exams, ensuring that our members are among the most competent and ethical in the country.

Our transformation initiatives create opportunities and drive the profession towards a more inclusive and

representative future. We actively support aspiring CAs from historically disadvantaged backgrounds, ensuring that the profession is reflective of the diverse South African society.

We are committed to shaping a future where the profession plays a pivotal role in driving economic growth, promoting social justice, and building a more equitable society. To this end, SAICA through its National Imperatives, continues its initiatives that promote the SDGs. SAICA also runs several initiatives such as the protection of whistleblowers and in 2023 signed a MOU with The Whistleblower House in order to better support members in this regard.

KEY FOCUS AREAS IN SUPPORT OF STRATEGY

| STRATEGIC PILLAR | FOCUS |
|--|---|
|  Member Value | <ul style="list-style-type: none">• Giving members a platform to showcase their SDG-related work• Elevating the status of the profession to one that is of national value• Protection of whistle-blowers |
|  Relevance and Reputation | <ul style="list-style-type: none">• Developing and monitoring the quality of the various qualification processes to ensure the delivery of high-quality and relevant accountancy professionals• Maintaining the standard of all three SAICA designations• Bringing together civil society to ensure that governance and ethical behaviour are promoted beyond the profession• National imperatives<ul style="list-style-type: none">◦ SMME support◦ Special projects to uplift the economy and society◦ Advocacy and policy reform• Driving anti-corruption |
|  Growth and Transformation | <ul style="list-style-type: none">• Attracting high-quality individuals to the accountancy profession• Raising funds for initiatives that drive transformation in the profession• Fundraising to support mathematics in schools• Educator development initiatives / investment in education• Thuthuka Education Upliftment Fund (TEUF) bursary• Historically disadvantaged institutions (HDI) capacity development programmes |

2023 AT A GLANCE

Education

The SAICA Education team continued its research focus, particularly on the ITC and APC working groups’ efforts to implement the CA of the Future Framework. SAICA is also proud to have hosted the GAA’s Education Directors in South Africa. Independent research to identify the root causes of the ITC and APC pass rates among different rational groups was completed.

Additionally, SAICA continued with its HDI capacity-development programmes, including FASSET-funded educator development workshops for HDI lecturers. A comprehensive plan was devised to collaborate closely with the three HDIs not accredited by SAICA at a PGDA level.

The year also marked the finalisation of the new IPD committee, which convened its first meeting in July 2023. This restructuring led to the formation of three sub-committees dedicated to the designations CA(SA), AGA(SA) and AT(SA) ensuring focused attention on all designations.

Examinations

Significant improvements were achieved in enhancing candidates’ experience in the SAICA professional examinations, specifically as it relates to the APC. SAICA relocated eWriting servers from the UK to South Africa, resulting in the faster submission of candidates’ examinations during the 2023 APC.

Training

SAICA focused on addressing challenges related to TCMS downtime and EAT issues. Significant progress was made by the SAICA IT Team in stabilising TCMS, while major developments were implemented in the EAT to enhance the trainee and training officer experience.

The Training department worked closely with training offices and incorporated feedback to streamline the CA of the Future competency learning outcomes.

SAICA also hosted a successful 2023 trainee summit culminating in the Trainee Trailblazer awards, which recognises trainees who are excelling in their area of focus.

AT(SA)

SAICA is proud of the partnership with Bidvest which saw 12 candidates being hosted on a graduate internship programme. SAICA through its AT(SA) team also participated in the World Bank capacity-building initiatives in Eastern Europe to showcase the AT public sector qualifications.

AGA(SA)

Although the AGA(SA) is a fairly new SAICA designation, there has been an encouraging increase in accredited providers AGA(SA). SAICA considers the AGA designation crucial in combating unemployment in South Africa and emphasises collaboration with the public sector for success in this endeavour.

Post-qualification

The post-qualification learning and development area is committed to lifelong learning and through strategic partnerships, now offers SAICA members access to courses available on the newly launched SAICA learning management system, eVolve.

Thuthuka

Transformation remains a key focus for SAICA as its membership register still lacks representation in terms of gender and race. The Thuthuka programme plays a vital role in addressing this issue, although funding is a significant risk. SAICA has conducted fundraising campaigns and relaunched the Thuthuka Alumni community to address this challenge. In addition, a fundraising think tank comprising CEOs and heads of organisations has been established.



KEY INITIATIVES TO CREATE VALUE IN 2023

| TRANSFORMATION AND GROWTH | |
|---|---|
| KEY INITIATIVES | IMPACT/ DIFFERENCE MADE |
| SPECIAL PROJECTS TO UPLIFT THE ECONOMY AND SOCIETY | |
| <ul style="list-style-type: none">• Development camps• SAMF Maths Olympiad• SAMF Maths Educator Programme• Business Games• Career awareness | <ul style="list-style-type: none">• Grade 12 provincial awards led to eight learners joining Thuthuka• FASSET funding raised for maths development camps• SAMF Maths Educator Programme• DBE contract renewal and Grade 12 results received• Mpumalanga hosted three maths development camps for the first time and the success of the camps resulted in a multi-year MOU being signed with the province's Department of Education• The Western Cape, Limpopo and Mpumalanga Departments of Education recognised and awarded SAICA as a key stakeholder in the province• A committee focusing on transformation established in the Western Cape |
| RAISING FUNDS FOR BURSARIES AND OTHER INITIATIVES | |
| <ul style="list-style-type: none">• Thuthuka Bursary Programme• Partnership with the SIU and North-West University on the Forensic Bursary Programme | <ul style="list-style-type: none">• Jan 2023 ITC: Thuthuka ITC pass rate 94% vs 75% national pass rate• 1 100 students funded through the Thuthuka Bursary programme• Stellenbosch University Thuthuka students presented a paper at a conference• Special Investigating Unit (SIU) students – first graduation, starting internship at SIU |
| EMOTIONAL WELL-BEING SUPPORT | |
| Thuthuka Bursary Programme's ICAS platform | <ul style="list-style-type: none">• Various students and their direct family members have been using the platform for wellness support |
| ITC AND APC SUPPORT PROGRAMME | |
| ITC and APC Repeat Programme | <ul style="list-style-type: none">• Funding raised to support candidates |



| PRE-QUALIFICATION LEARNING AND DEVELOPMENT | |
|---|---|
| KEY INITIATIVES | IMPACT/ DIFFERENCE MADE |
| LEARNING AND DEVELOPMENT: EDUCATION | |
| Various educational initiatives | <ul style="list-style-type: none">• ITC and APC working groups continued in their work• Hosted the GAA in South Africa• Sponsorship of SAAA – panel discussions |
| AT(SA) ACTIVITIES | |
| Skills development through the AT(SA) designation | <ul style="list-style-type: none">• Partnered with Bidvest to host 12 candidates on a graduate internship programme• Worked with the National Skills Fund (NSF) and TVET colleges to secure funding for an additional 100–150 students on the AT qualifications• Participated in World Bank capacity-building initiatives in Eastern Europe to showcase the AT public sector qualifications |
| AGA(SA) ACTIVITIES | |
| Accreditation of providers for AGA purposes | <ul style="list-style-type: none">• Accreditation of two new providers (three programmes) to offer academic programmes for AGA purposes• Involvement of AGA professionals in the review of the selected technical competency area |
| EXAMINATIONS ACTIVITIES | |
| ITC and APC exams | <ul style="list-style-type: none">• Collaborative culture of working: IT, risk and facilities• Moving the server to South Africa saw a significant improvement in the submission rate and working group• Implementation of the APC and ITC working group recommendations |



| POST-QUALIFICATION LEARNING AND DEVELOPMENT | |
|--|---|
| KEY INITIATIVES | IMPACT/ DIFFERENCE MADE |
| POST-QUALIFICATION: LEARNING AND DEVELOPMENT | |
| Learning and Development activities | <ul style="list-style-type: none">• Revisions to the CPD policy approved and communicated• Launch of eVolve• L&D hotspots (virtual sessions) were introduced where members have the opportunity to engage with SAICA in a live Teams session regarding eVOLVE• SADC combined meeting to discuss and progress establishment of recognition agreements in Southern Africa (through PAFA) |
| RECIPROCITY | |
| Reciprocity | <ul style="list-style-type: none">• Finalisation of GAA recognition agreements• SADC combined meeting to discuss and progress establishment of recognition agreements in Southern Africa (through PAFA) |

| NATIONAL IMPERATIVES | |
|--|--|
| KEY INITIATIVES | IMPACT/ DIFFERENCE MADE |
| ADVOCACY AND POLICY REFORM | |
| Whistleblower protection | <ul style="list-style-type: none">• Signed an MOU with The Whistleblower House which would allow SAICA members to contact The Whistleblower House for support and guidance in relation to whistleblowing |
| EE SECTOR TARGETS | |
| SAICA coordinated the Chartered Accountancy's comment letter on the EE Sector Targets that were gazetted in 2023 | One of the firms arranged a meeting with the Department of Labour and SAICA to ensure that the voice of the profession is heard |



| SMME SUPPORT | |
|---|--|
| KEY INITIATIVES | IMPACT/ DIFFERENCE MADE |
| SAICA ENTERPRISE DEVELOPMENT AND THE HOPE FACTORY NPC (HEREIN REFERRED TO AS THF GROUP) | |
| Financial sustainability Continuous refinement of the income model to meet market demand | <ul style="list-style-type: none">• Income diversification of targeted industries will ensure longevity of THF Group. Signing of multi-year MOUs |
| Planning for reserves | <ul style="list-style-type: none">• Maintaining a margin of safety to continue operations• SDG-focused thought leadership |
| Strategic marketing and branding Brand awareness and strategic positioning as a preferred partner/leader in this space | <ul style="list-style-type: none">• Collaboration with strategic clients to integrate into their public relations plans – thus expanding our reach through their networks |
| Strategic partnerships Secure relationships with small and medium practices and SAICA members to actively contribute to our entrepreneurial programmes | <ul style="list-style-type: none">• Supporting small and medium practices by facilitating and creating access to market opportunities through our platforms in order for their businesses to grow |
| Well-defined and impactful entrepreneurial programmes Refine Theory of Change framework – key impact indicators | <ul style="list-style-type: none">• Effective monitoring and evaluation of SMME growth that leads to economic impact and job creation opportunities |
| Enhance content development | <ul style="list-style-type: none">• Partner with reputable content developers who support the impact we envisage through our Theory of Change programmes. These are focused on leadership, financial literacy skills capacitation and business/industry-specific development |
| Institutional excellence Identification of key talent/staff retention relative to skills programmes that support the business model | <ul style="list-style-type: none">• Skills capacitation of staff – increased employee satisfaction |
| Robust digital plan | <ul style="list-style-type: none">• Continuing the build of the CRM platform which will lead to efficiencies with THF Group and increased productivity |



Media and publication exposure 2023



SAICA ED and The Hope Factory





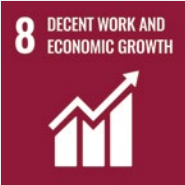


The Hope Factory Group saw very significant improvements in its performance, improving its liquidity and solvency rates. Both SAICA ED and THF exceeded their YTD Income targets for both traditional income and customised projects. The Group also increased its customer retention rates from 50% in 2022 to 74% in 2023.



Contribution to the UN Sustainable Development Goals

The Hope Factory and SAICA Enterprise Development contribute towards Goals 1, 4, 5, 7, 8, 10 and 17 of the UN SDGs. The graphic shows how The Hope Factory and SAICA Enterprise Development contribute to these goals.

| SDG | INITIATIVES | IMPACT/ DIFFERENCE MADE |
|---|--|--|
|  | THE HOPE FACTORY <ul style="list-style-type: none">Socio-economic development (SED) flagship programmes, including the Youth Community Stream in partnership with KPMG | <ul style="list-style-type: none">Over 2 593 (FY22: 2 502) beneficiaries empowered since inception in 2004Additionally, 30 SMMEs equipped in 2023 on our Flagship programmes specifically |
|  | The Hope Factory-accredited NVC skills development and customised programmes <ul style="list-style-type: none">New venture creation (NVC) short skills accredited customised programmes that equip and educate individuals through the transfer of knowledge and skills | <ul style="list-style-type: none">Six accredited skills development programmes offered, empowering 61 individuals in 2023 |
|  | The Hope Factory and SAICA ED initiatives with a focus on women <ul style="list-style-type: none">Across all our programmes for the THF Group, there is a key emphasis on recruiting and onboarding women-owned businesses | <ul style="list-style-type: none">During 2023, a total of 229 women-owned businesses/individuals were supported |
|  | SAICA Enterprise Development <ul style="list-style-type: none">Various strategic partners who operate within the Energy sector partnered with SAICA ED to render entrepreneurial programmes. This includes one programme directly working with SMMEs on the clean energy sector: Dedisa Peaking PowerSAICA ED continues its collaboration with the Council for Scientific and Industrial Research (CSIR) who provide industry expertise to our SMMEs | <ul style="list-style-type: none">Through the Dedisa Peaking Power programme, SAICA ED supported 3 SMMEs that are providing access to affordable and clean energyOur collaboration with the CSIR assists SMMEs to have access to research and development resources and clean energy technology and innovation knowledge transfer |
|  | The Hope Factory and SAICA ED projects and programmes <ul style="list-style-type: none">THF Group programmes and customised projects are actively involved in Goal 8 in terms of our enterprise and supplier development, socio-economic development and skills development initiatives | <ul style="list-style-type: none">29 programmes and customised projects during 2023, equipping 553 small businesses and/or individuals through coaching, mentoring, masterclasses and accounting support initiatives364 new jobs were supported in 2023 |

| SDG | INITIATIVES | IMPACT/ DIFFERENCE MADE |
|---|---|---|
|  | THF Group's youth Initiatives <ul style="list-style-type: none">The Group continues its intent of supporting the youth by facilitating job placement opportunities | <ul style="list-style-type: none">SAICA ED absorbed two unemployed accounting graduates into their workplaceTHF absorbed two interns into their workplaceAdditionally, through its Youth Community Programme, THF partnered with a YES Service Provider and 12 youths were placed in various employment tenures for 12 months |
|  | The Hope Factory and SAICA ED public-private partnerships with various institutions, clients, SETAs Key partners include: <ul style="list-style-type: none">KPMG (Volunteers)FTI Consulting (Volunteers)Exxaro ResourcesAnglo American ZimeleCennerg ServicesDe Aa Solar CapitalCHIETANDE Stainless SteelSasol GroupFreitan LogisticsMerafe ResourcesEnel Green PowerSAICA Member VolunteersSmall and Medium Accounting PracticesSEDACSIR | Our 2023 ecosystem of partners include: <ul style="list-style-type: none">52 SAICA-associated small and medium practices (SMPs)55 volunteers87 business coaches, industry coaches, facilitators, assessors and moderators <p>All these ecosystem partners directly impacted 553 SMMEs and Individuals (business owners) during 2023, across a total of 29 programmes (including flagship and customised SMME/ESD programmes)</p> |



DIGITISATION

DIGITAL TRANSFORMATION JOURNEY

SAICA's Digital Transformation programme is essential for implementing the overall SAICA strategy. Aligning the IT strategy with the business strategy and optimising the existing IT architecture are crucial for the success of digital transformation.

The journey began in 2016, introducing key strategic projects such as Ushintsho. Despite a few challenges with Ushintsho, after a revision of the scope of work and change of implementation partner, the project is now on track and the benefits are being realised.

- IT MISSION** – To deliver innovative solutions and leadership that foster growth and elevate member experiences
- IT VISION** – Relentlessly driving value to members through unprecedented innovation

The Ushintsho programme is unfolding in three focused stages aiming to:

- Stage 1:** Deliver Case Management, Profile Management, Online Membership Applications (AGA and CA(SA) including the Member Portal), and D365/iMIS Data integration
- Stage 2:** Deliver Finance system, Membership, Continuous Professional Development, Exam functionality through the Member Portal, D365 Customer Engagement (D365 CE) and D365 Finance and Operations (F&O). Enhance data quality and system stability
- Stage 3:** Covers delivery work across D365 CE, the Web Platform, Finance and Operations, Infrastructure Environments (DevOps) and Project Management. Additionally, regular release cycles have been planned, rather than a large monolithic release at the end of the stage



| STAGE 1 DELIVERED 2019 | STAGE 2 DELIVERED IN 2023 | STAGE 3 DELIVERY IN 2024–2025 |
|---|---|--|
| VALUE DERIVED | VALUE DERIVED | INTENDED VALUE |
| <p>Enriching member engagement</p> <p>The implementation of D365 CE, which is a customer relationship management suite, has facilitated a seamless integration of systems and data, empowering us to deliver a more personalised and engaging member experience. This is evident in the enhanced member profiles and improved case management capabilities available through the member portal</p> | <p>Member benefits</p> <ul style="list-style-type: none">• Easy access of billing and account information online• New accounts query management feature for members to track progress (refunds, penalties, etc)• Enhanced digitised user journey for member applications, including practice registrations, tax practitioner registrations, etc)• Exam candidates will be able to register for examinations, cancel registrations, request refunds, and obtain copies of admission letters online• Exam candidates will have access to a single system to apply for special concessions and receive feedback | <p>Member benefits</p> <ul style="list-style-type: none">• Enhanced learning and development ecosystem (training and education)• Ability for prospective members to complete online membership applications• Prospective Thuthuka Bursary Fund applicants will have an end-to-end online-based application platform• Interactive, online-based platform for Thuthuka bursars to access donation info• Improved enterprise and supplier development, socio-economic development and SMME development service offering will enhance members’ economic and B-BBEE points• Updating of member data will ensure that SAICA designs products suited for members based on accurate data• Member processes will be enhanced and simplified to ensure that members have a great experience when using SAICA applications and systems |



| STAGE 1 DELIVERED 2019 | STAGE 2 DELIVERED IN 2023 | STAGE 3 DELIVERY IN 2024–2025 |
|---|--|---|
| VALUE DERIVED | VALUE DERIVED | INTENDED VALUE |
| <p>Unifying member data for enhanced insights and service</p> <p>By integrating all customer data sources into D365 CE, we can cleanse and consolidate information, eliminating duplicates and misalignments. This will create a unified and consistent view of our members across the organisation, enabling us to provide more personalised and impactful services</p> | <p>Member benefits</p> <p>Implementation of a new user-friendly mobile app where members can now access the same comprehensive features as the member portal, providing greater convenience and accessibility wherever they are</p> <p>Internal business unit benefits</p> <ul style="list-style-type: none">• Automated finance processes (auto-creation of invoices, auto-allocation of payments, auto-matching of receipts, etc)• New and enhanced reporting (exams, finance, membership and committees)• Minimise contact centre queries due to the availability of self-service options on the member portal• New digitised exams management process (marking, booking and analytics) <p>New applications</p> <ul style="list-style-type: none">• Finance and operations functions• Expanded member portal functions• Power business intelligence (BI) reporting <p>Decommissioned apps</p> <ul style="list-style-type: none">• GP (archived financial data) | <p>Internal business unit benefits</p> <ul style="list-style-type: none">• Automated bursary management processes• Improved disciplinary management process• Improved decision-making based on enhanced education and training data• Central repository of information to improve query resolution <p>New applications</p> <ul style="list-style-type: none">• Enhanced member portal functions• New member application system• New Thuthuka Bursary application• New enterprise development application• Mobile app platform <p>To be decommissioned apps</p> <ul style="list-style-type: none">• iMIS• Legacy exam systems |

ENHANCED MEMBER
EXPERIENCE WITH A
MODERNISED MEMBER PORTAL

The exciting new features of the member portal which will allow direct and real-time responses to member queries as well as improved access to SAICA services will be realised at the end of Stage 3 of Ushintsho programme. This is our continuing digitisation journey aimed at improving and delivering world class services to our members.

Outlook for 2024

The following features introduced at the beginning of 2024 will further enhance members’ experience when interacting with SAICA:

- Advanced payment settlement for payments that have been referenced correctly. This feature allows our Finance team to easily settle outstanding balances with an advanced payment by the member via credit card or electronic transfer.
- The Thuthuka Legal Entity has been moved from Great Plains (GP) to Finance and Operations (F&O), allowing for their accounting functions to be performed in F&O. GP is a legacy financial system that will be deprecated shortly, and it is therefore important that all dependencies on GP be removed. The benefits of F&O are that it is a cloud-based service that is secure and can conduct data analytics.
- The ATSA reinstatement functionality has been enabled which allows members to reinstate their ATSA membership via the member portal. SAICA membership staff can process these applications easily, automatically and securely.
- Members can now request and print their membership certificates via the member portal. This is particularly useful for members who may have to replace their membership certificates.



DISCIPLINARY MATTERS 2023

One of the primary objectives outlined in the SAICA constitution is to uphold the highest standards of ethics and competence among the Institute, its members, associates, and prospective members. This includes safeguarding the integrity of respective designations and training contracts and actively promoting the profession’s reputation.

The SAICA Disciplinary Code and disciplinary processes are methods used by the organisation to achieve this objective. The Disciplinary Code was amended in 2023 to include streamlined processes for certain types of non-compliance cases (complaints for late submissions of declarations of tax practitioner members and for general CPD non-compliance up to 1 March 2023).

Between 2015 and 2019, a significant backlog of disciplinary issues arose when nearly 3,000 members registered as tax practitioners failed to respond to requests for information needed by SAICA to report to

SARS. These delays triggered disciplinary processes in 2020, raising concerns among members. To address this backlog and improve efficiency, the Board appointed an ad hoc committee in 2022 to review the disciplinary process. Following consultations with members, the Board approved a new procedure in March 2023 to expedite these cases. This streamlined process is currently being followed by the Legal department.

SAICA investigates all complaints of punishable conduct without fear or favour. Upon obtaining sufficient evidence, SAICA puts the complaint to the respondent and ultimately enrolls the complaint before one of the independent committees, appointed by the Board for adjudication, namely the Professional Conduct Committee and the Disciplinary Committee.

Further information on the SAICA complaints procedure and Disciplinary Code are available on the SAICA website: <https://www.SAICA.org.za/>.

REPORT ON CASE MANAGEMENT

NUMBER OF COMPLAINTS RECEIVED

| Disciplinary summary | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|--|------|------|-------|------|------|------|------|------|
| Number of cases reported# | 715 | 666 | 1 000 | 476 | 247 | 248 | 229 | 507 |
| Cases referred to IRBA* | 2 | 1 | 24 | 38 | 34 | 35 | 42 | 24 |
| Cases finalised** | 190 | 218 | 281 | 143 | 184 | 128 | 235 | 162 |
| • Through the Professional Conduct Committee (PCC) | 184 | 207 | 279 | 137 | 173 | 119 | 229 | 142 |
| • Through the Disciplinary Committee (DC) | 1 | 2 | 2 | 6 | 11 | 9 | 6 | 20 |
| Breakdown of total cases reported | 715 | 666 | 1 000 | 476 | 247 | 248 | 229 | 507 |
| • Cases against members and associates (AGAs) | 560 | 569 | 883 | 414 | 171 | 190 | 177 | 136 |
| • Cases against trainee accountants | 143 | 83 | 67 | 41 | 39 | 15 | 38 | 38 |
| • Cases against non-members*** | 12 | 14 | 50 | 21 | 19 | 43 | 14 | 3 |
| • APC matters**** | – | – | – | – | – | – | 2 | 330 |

Does not include first offence tax practitioner / CPD non-compliance cases referred by Member Compliance to Discipline Unit to issue a notice of reprimands.

* Where complaints are audit-related, complaints against members who are registered auditors are referred to the Independent Regulatory Board for Auditors for investigation.

** Cases may also be closed outside of committees where complainants fail to provide complaint affidavits and/or sufficient information for SAICA to pursue an investigation. In 2023, there were five such cases.

*** Complaints are lodged against persons who are found not to be members/associates of SAICA (12 such cases in 2023). Of the complaints lodged in 2023, eight cases constituted ‘holding out’ matters where SAICA investigates possible contraventions of the Chartered Accountants (Private) Designation Act 67 of 1993.

****Going forward, any APC-related cases will be reported within the cases against trainee accountants.

The 560 cases lodged against SAICA members/associates are broken down into –

- 103 general cases
- 14 non-audit-related complaints referred to the IRBA but involving individuals who hold/held concurrent memberships with SAICA and the IRBA
- 2 complaints which were audit-related and which SAICA referred to the IRBA for investigation due to the members holding concurrent registration with the IRBA, and
- 415 minor cases for non-compliance with SAICA requirements for tax practitioners and for CPD. SAICA has employed additional fixed-term staff to assist in finalising the large number of minor non-compliance cases

In 2023, the Discipline Unit finalised 190 cases through the PCC, the DC and internally, where applicable.

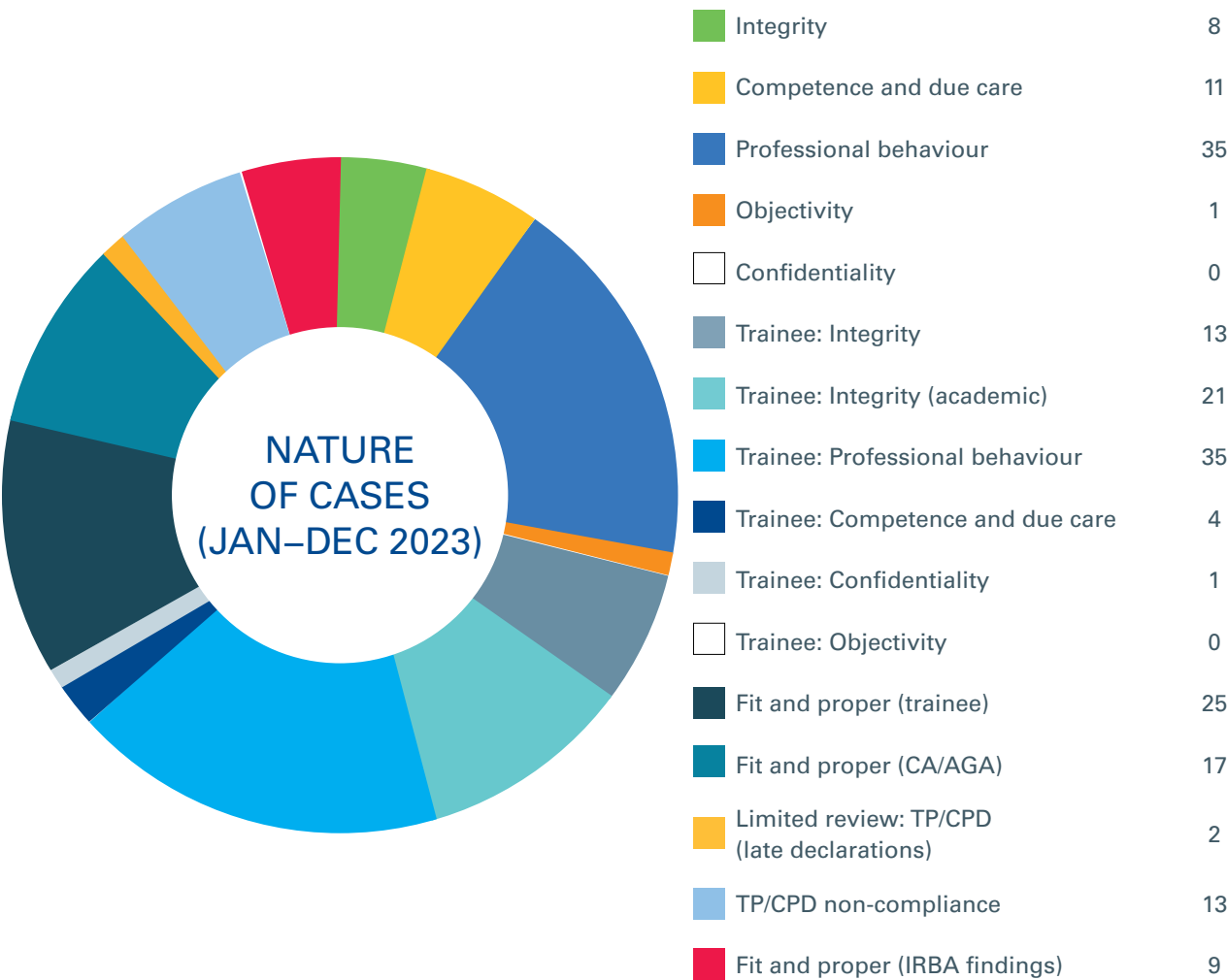
PROFESSIONAL CONDUCT COMMITTEE (PCC) MEETINGS IN 2023

The PCC convened 36 times in 2023 (26 full PCC and 10 advisory PCC meetings).

DISCIPLINARY COMMITTEE (DC) MEETINGS IN 2023

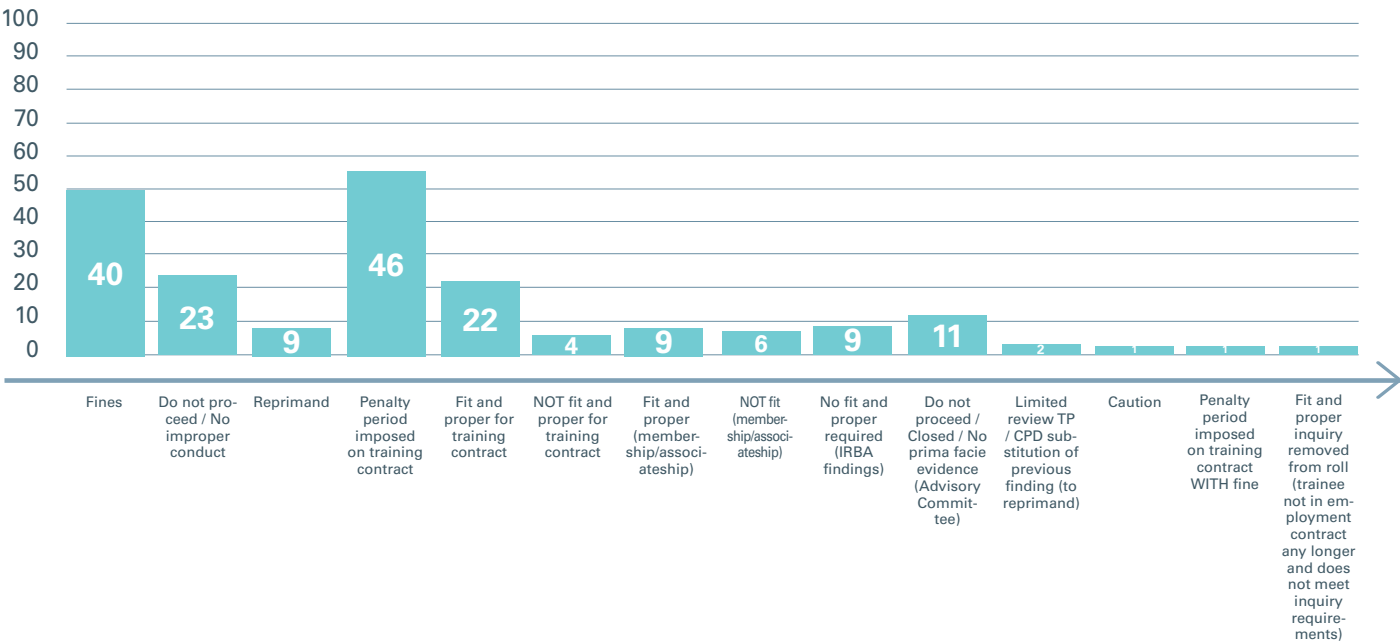
The DC convened eight times in 2023.

NATURE OF COMPLAINTS BEFORE THE PCC (JAN–DEC 2023)



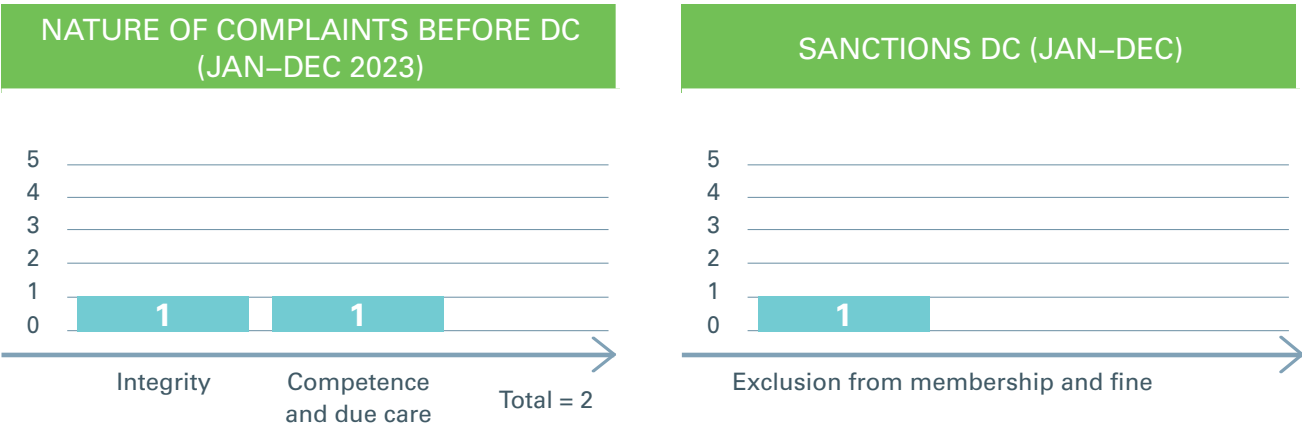
SANCTIONS AT PCC (JAN–DEC 2023)

Total = 207 / Ongoing = 11



It should be noted that these will not tie back to the number of cases reported due to the fact that one charge could be applicable to an individual case.

NATURE OF COMPLAINTS BEFORE THE DISCIPLINARY COMMITTEE (JAN–DEC 2023)



One additional DC matter was concluded before the DC in 2023 and is awaiting a ruling.

The sanction indicated above relates to the high-profile complaint referred to SAICA as a recommendation in the Judicial Commission of Inquiry into State Capture reports (Zondo reports) (among other complaint sources) and which SAICA finalised in 2023.

AN INSPIRATIONAL BEACON OF ETHICS IN GOVERNANCE

Honoured with the prestigious Difference Makers Leadership in Governance award, Linda de Beer CA(SA), epitomises governance excellence and visionary leadership. With her expertise spanning corporate reporting, the listed regulatory environment and corporate governance, Linda drives transparency and accountability across industries, where she serves. Her strategic prowess is evident in her role on numerous JSE-listed boards and international standard-setting bodies. As an independent non-executive director, Linda champions standards and reporting that are responsive to the public interest fostering the credibility of capital markets and corporate citizenship. Her legacy shines as a beacon of ethical governance, inspiring generations to come.

Meet Linda de Beer CA(SA)
Independent Director: Corporate
Governance and Reporting Advisor
Difference Maker



PERFORMANCE AGAINST STRATEGY

SAICA's Board sets short-term targets and initiatives for the year ahead in the annual scorecard that support delivery on the strategic pillars, either directly or by enhancing the Institute's operational efficiency. At the end of the year, executive management collates the performance against the scorecard targets. The final scores are assured by the external auditors, reviewed by the Remuneration Committee and approved by the Board.

During the reporting period, good progress was made to execute on the strategic initiatives underpinning the four strategic pillars of the SAICA strategy.

Where targets were not achieved, corrective measures have been identified to improve performance in the coming year.

The scorecard comprised four categories weighted as shown in the table on the next page. Each scorecard category is given a score from 1 (far below expectations) to

5 (far exceeds expectations) and these scores are weighted according to the category weights to yield an overall score for the year. In 2023, SAICA achieved a performance rating of 3,52 out of 5, compared to 3,68 out of 5 in 2022.

SAICA'S OVERALL PERFORMANCE SCORE AGAINST STRATEGIC OBJECTIVES

Member Value strategic pillar PHI score, Relevance and Reputation strategic pillar PHI score both improved and the Trust index of CAs(SA) in South Africa increased to 84% (FY22: 83%) as a result of the implementation of SAICA's integrated communication and reputation management plan.

SAICA's B-BBEE level further improved from a Level 4 to a Level 2 as a result of the continued strong focus on skills development. The employee engagement score also improved from 78% to 84% which demonstrates that SAICA employees are well engaged.



VALUE CREATED

| OVERALL PERFORMANCE Score against strategic objectives | | | KEY METRICS Professional Health Index ¹ | | | |
|---|------|------|--|--------|--------|--------|
| 2023 | 2022 | 2021 | | 2023 | 2022 | 2021 |
| 3,52 | 3,68 | 3,47 | Member Value PHI Score ¹ | 78,00% | 75,14% | 72,55% |
| | | | Relevance and Reputation PHI Score | 82,39% | 77,96% | 64,16% |
| | | | B-BBEE Level | 2 | 4 | 8 |
| | | | Employee Engagement Score ² | 84% | 78% | 75% |
| | | | <p>¹ The Professional Health Index (PHI) is the measure by which SAICA assesses the extent to which it has achieved its strategic intent 'to contribute to sustainable economies through developing responsible and ethical leaders'.</p> <p>² The employee engagement score is calculated by adding the 'agree' and 'strongly agree' ratings.</p> | | | |

| MEMBER VALUE 78% (2022: 75,14%) | | | RELEVANCE AND REPUTATION 82.39% (2022: 77,96%) | | |
|---------------------------------------|---|---|---|---|---|
| SAICA PROFESSIONAL HEALTH INDEX | 2023 SURVEY RESULTS (% ABOVE NEUTRAL) | 2022 SURVEY RESULTS (% ABOVE NEUTRAL) | SAICA PROFESSIONAL HEALTH INDEX | 2023 SURVEY RESULTS (% ABOVE NEUTRAL) | 2022 SURVEY RESULTS (% ABOVE NEUTRAL) |
| Attractiveness Index | 86,21% | 78,84% | Integrity Index | 81,20% | 72,41% |
| Employability Index | 74,85% | 75,81% | Market Trust Index | 83,92% | 83,88% |
| Leadership Index | 80,50% | 79,61% | Social Contribution Index | 82,06% | 77,60% |
| Inspiration Index | 80,43% | 74,67% | | | |
| Brand Admiration Index | 82,67% | 79,89% | | | |
| Competency Index | 75,24% | 69,84% | | | |
| Member Satisfaction Index | 66,07% | 67,31% | | | |



LEGEND

- Below target
- Achieved
- Exceeded
- New measure

| STRATEGIC PILLAR | STRATEGIC OBJECTIVES | KPIS | TARGET 2023 | ACHIEVED 2023 | ACHIEVED 2022 | RATING |
|---|--|--|---|--|------------------------------------|------------------|
| Member Value | Deliver member value by promoting the premiership status and enhancing the member value proposition | Professional Health Index | >=60 and <85% of respondents are above neutral = 3 | 78,00% <div></div> | 75,14% (3,60) | 3,73 |
| | Promote common interest and professional competence of members and associates nationally and internationally | Annual Stakeholder Survey score | >=60 and <85% of respondents are above neutral = 3 | 72,15% <div></div> | 67,40% (3,30) | 3,49 |
| | | Advocacy | 3,00 | 4,04 <div></div> | 3,97 | 4,04 |
| Relevance and Reputation Performance weighting: 25% | Enhance trust, ethical conduct and credibility of the profession in the economy and society | Aggregated CA of the Future milestones achieved | CA of the Future and Pathways to Relevance Framework implementation = 3 | 3,71 <div></div> | 3,30 | 3,71 |
| | | Professional Health Index | >=60 and <85% of respondents are above neutral | 82,39% <div></div> | 77,96% (3,72) | 3,90 |
| | | Positive media exposures | Annual target: 1 350 – 1 400 positive media exposures | 1 314 <div></div> | 1 829 (5) | 2,94 |
| | | SAICA social media reach | Accumulated growth 5,1% to 8% pa | 14,78% <div></div> | 11,28% (4,47) | 4,97 |
| | | Thought leadership | Three exposures or more per article | 2,07 <div></div> | 3,20 | 2,07 |
| Growth and Transformation Performance weighting: 25% | Grow and transform the accountancy profession | Annual number of new members for AGAs and ATs (based on new registrations) | AGAs: 675–764 = 3,00 ATs: 61–90 = 3,00 | AGA 549 <div></div> AT 57 <div></div> | AGA 711 (3,40) AT 78 (3,59) | 1,92 2,90 |
| | | Member conversion rate | 75% – 85% Conversion from eligible member to member (CA) = 3 | 86,90% <div></div> | 83,41% (3,84) | 4,24 |

| STRATEGIC PILLAR | STRATEGIC OBJECTIVES | KPIS | TARGET 2023 | ACHIEVED 2023 | ACHIEVED 2022 | RATING |
|--|---|--|--|---------------------------|--------------------------|--------|
| Organisational Sustainability Performance weighting: 20% | Achieve financial sustainability | Surplus for the year | Surplus: R6,1m = 3 | R8,03m ✓ | Surplus: R22,9m (5) | 5,00 |
| | | Net cash from operations | Net cash: R28,3m | Decreased by R1,6m ● | Net cash: R31,6m (5) | 1,00 |
| | | Reserves | Reserves R256,7m = 3 | R279,3m ● | R287,3m (4,66) | 3,15 |
| | | Total revenue | R453,4m = 3 | R565m ✓ | R495m (4,35) | 3,59 |
| | Digitise operational processes to work quicker and qualitatively better and accelerate strategic benefits | Stage 2 Ushintsho programme: member value benefits | 3 | 3,23 ✓ | 2,27 | 3,23 |
| | Empower human capital to enhance innovation and engage employees to create an engaged organisation | ERM Maturity Level | Maintain ERM Maturity Level 4 | ERM Maturity Level 4 ● | ERM Maturity Level 3 (2) | 3,00 |
| | | Outcome of the internal and external audits | Achieve un-qualified audit outcome without significant and material audit findings = 3 | 2,50 ● | 4 | 2,50 |
| | | Employee Engagement Survey | 60–85% respondents are engaged = 3 | 84% ● | 78% (3,72) | 5,00 |
| | | Vacancies as a percentage of staff establishment <8% | Less than 8% = 3 | 4,70% ● | 10,29 (1) | 5,00 |
| | | Voluntary employee turnover (ETO) | ETO<12% = 3 | 4,90% ● | 10,53% (4,23) | 5,00 |
| | Transform the organisation | B-BBEE level | B-BBEE: Level 5–6 | B-BBEE: Level 2 ✓ | B-BBEE: Level 4 (4) | 4,00 |



CFO FINANCIAL REVIEW WITH A LINK TO THE AFS

SUMMARISED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2023

| | GROUP | | CHANGE |
|---------------------------------------|----------------|----------------|--------------|
| | 2023 | 2022 | 2023/2022 |
| | R'000 | R'000 | % |
| Assets | | | |
| Non-current assets | 111 123 | 110 810 | 0,28% |
| Current assets | 612 771 | 602 010 | 1,79% |
| Total assets | 723 894 | 712 820 | 1,55% |
| Reserves and liabilities | | | |
| Reserves | 450 934 | 431 769 | 4,44% |
| Non-current liabilities | 30 455 | 55 195 | -44,82% |
| Current liabilities | 242 505 | 225 856 | 7,37% |
| Total reserves and liabilities | 723 894 | 712 820 | 1,55% |

↑ Assets (1,5%) due to:

- Slight increase in non-current assets attributable to investments in PPE R2 500 and Ushintsho R25 727 (2022: R12 020) and depreciation of R 28 580 (2022: R28 839).
- Current assets increased by a marginal amount due to the increase in trade receivables.
- Cash comprises 76% (2022: 85%) of current assets.

↓ Liabilities (2,8%) due to:

- Decrease due to unwinding of lease liability and an increase in the provision of leave pay of R16 985 (2022: R13 810).
- Decrease in deferred income due to the decrease of contracts in TEUF.

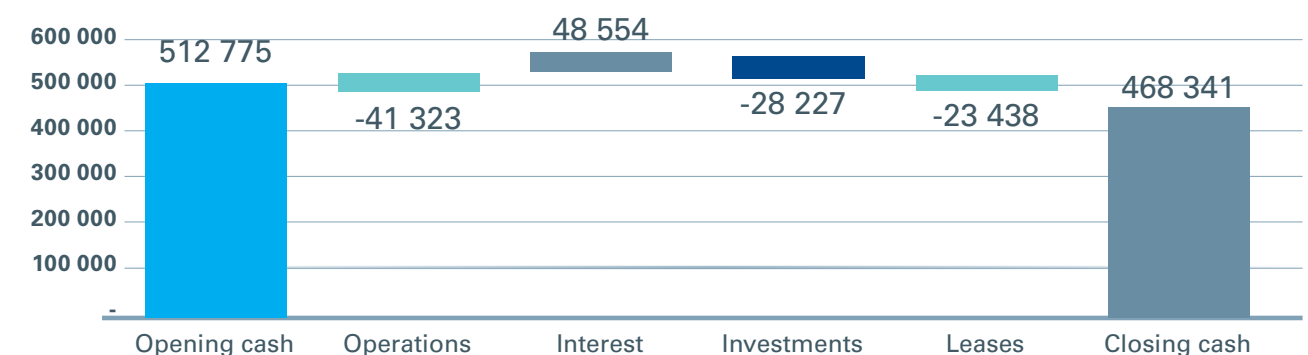
SUMMARISED STATEMENT OF SURPLUS OR DEFICIT FOR THE YEAR ENDED 31 DECEMBER 2023

| | GROUP | | CHANGE |
|--|-----------------|----------------|-------------------|
| | 2023 | 2022 | 2023/2022 |
| | R'000 | R'000 | % |
| Total Income | 794 108 | 777 061 | 2,19% |
| Revenue | 518 325 | 481 360 | 7,68% |
| Other income | 275 783 | 295 701 | -6,74% |
| Operating surplus before interest | (24 439) | 21 097 | (-215,84%) |
| Finance income | 48 554 | 30 653 | 58,40% |
| Finance costs | (4 220) | (8 082) | -47,79% |
| Surplus for the year before tax | 19 895 | 43 668 | -54,44% |
| Tax expense | (730) | (144) | 406,94% |
| Surplus for the year after tax | 19 165 | 43 524 | -55,97% |
| Opening reserves | 431 769 | 388 245 | 11,21% |
| Total reserves at end of year | 450 934 | 431 769 | 4,44% |

↑ Reserves (4,4%) due to:

- Due to the reported surplus distributed as follows
 - SAICA – R1 908
 - THF – R3 483
 - TEUF – R13 035
- Revenue growth represent increase in number of members and inflationary adjustment as well as an increase in sponsorships received.
- Operating margin declined to -3% (2022: 3%). This was due to expenditure incurred that contributed to the delivery of SAICA strategic objectives.
- Other income declined due to transfer of TEUF-ISFAP legacy contracts to the ISFAP Foundation entity.

SUMMARISED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023



Operating activities:

Core operations and interest realised a R7 231 additional cash

The Group net cash increase reflects the outcome of close management of working capital and a significant portion of income being cash based

Investing activities:

Investment of R28 227 was towards the digitisation programme for the Group (R25 727) and other operating assets (R2 500) net of proceeds from disposal

Financing activities:

SAICA Group buildings are leased from third parties and the amount reflects the payments of capital (R17 214) and interest (R6 224) in line with IFRS 16



REWARDING PERFORMANCE

(REMUNERATION REPORT)

SAICA’s remuneration philosophy is to offer sector market-related compensation in order to attract, motivate and retain the necessary talent required to successfully execute the SAICA strategy and ensure sustainability. This report seeks to ensure that members gain an insight into how remuneration decisions are made, enabling them to assess the outcome of those decisions.

The alignment of remuneration to the long-term strategic goals of SAICA to deliver sustainable performance remained a key focus during the year. Remuneration practices were aligned with our performance and strategic objectives set for the 2023 financial year.

The Board reviewed the Remuneration and Reward Policy in April 2023. After the feedback received at the 2023 AGM, additional consultation with the members was required to solicit further input. Member input received during the 2023 CEO roadshows and responses received from the additional communiques in January 2024 were considered by the Board.

Similar to many other organisations, and as part of enhancing its employee value proposition, a hybrid way of working has remained an effective model post the COVID-19 pandemic. The well-being of employees and the tools required to ensure productivity and high performance are continuously being monitored by SAICA. To further enable a seamless and sustainable organisational performance, talent management and organisational culture amongst others remain the key enablers in embedding the hybrid working model.

REMUNERATION GOVERNANCE

SAICA has sought to align its practices to good governance regarding remuneration, which in South Africa, is primarily informed by Principle 14 of King IV.

The Human Resources and Remuneration Committee comprises at least three members of the Board with relevant experience. The chairperson of the committee is Ms Thandi Thankge and the company secretary is the secretary of the committee. The executive directors / management are not members of the committee but attend meetings by invitation only and recuse themselves when conflicts arise, particularly when their performance and remuneration are discussed.

REMUNERATION ROLES AND RESPONSIBILITIES

The committee’s main purpose is to ensure that SAICA’s remuneration practices and policies are aligned with good corporate governance. The committee acts as a formal sub-committee of the Board and has the power to recommend to the Board for approval a developed strategy and supportive policies for the acquisition, management, retention and fair and responsible remuneration of talent in accordance with statutory regulations, governance requirements and best practice. The functions of the committee include, but are not limited to:

- Considering SAICA’s scorecard for the year and recommending approval to the SAICA Board
- Recommending to the Board issues relating to its responsibility for the governance of remuneration by setting the direction for how remuneration should be approached and addressed on an organisation-wide basis
- Recommending the Remuneration and Reward Policy to the Board for approval which articulates and gives effect to its direction on fair, responsible and transparent remuneration

The committee also oversees the overall governance of human capital management, overseeing the setting of a remuneration policy framework and strategy at SAICA and provides the Board with assurances in this regard. The committee seeks to assist the Board to ensure that an appropriate remuneration policy and philosophy that is aligned with its long-term strategy, objectives and risk appetite are in place, with a specific focus on ensuring that:

- The remuneration policy and philosophy are appropriately and consistently applied throughout SAICA
- Informed decisions pertaining to the acquisition, management, development, engagement and retention of its human capital are made
- The performance outputs of SAICA and that of its executive directors / management are reviewed, and
- The remuneration of Board members and executive directors/management is fair and responsible.

The chairperson of the committee reports to the Board on the activities of the committee at board meetings. For the period under review, the committee is satisfied

that it has fulfilled all its statutory duties assigned by the Board.

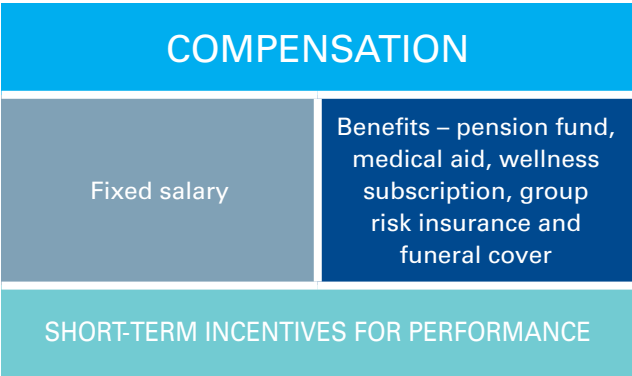
REMUNERATION PHILOSOPHY

SAICA subscribes to the belief that great people are the foundation of our success. SAICA recognises that without the contribution of highly engaged high-performing employees, its strategic objectives cannot be achieved. It is therefore critical for the sustainability of SAICA that it continuously attract, develop, engage and retain high-performing employees by providing a compelling value proposition to prospective and existing employees.

At the centre of the SAICA employee value proposition is the remuneration and reward strategy that balances market competitiveness and affordability.

REMUNERATION STRUCTURE

It is the committee’s opinion that SAICA should continuously strive to transform to a broader definition of reward – that of total rewards – in order to achieve the balance between strategy and various demands of employees. The enabling Remuneration and Rewards Policy leverages the proper mix of rewards that satisfies the personal and financial needs of current and potential employees given existing operational conditions and constraints.



TO ACHIEVE THIS, SAICA INTEGRATES TWO KEY REWARD ELEMENTS:

SAICA, being a non-profit membership-based organisation, does not offer long-term incentives (LTIs). However, to ensure SAICA’s ability to attract and retain capable talent, implementing several non-financial retention measures as well as recommending improvements of the short-term incentives (STIs) to the Board were explored. The STI recommendations were externally benchmarked against similar institutes and the sector. Further, the employee recognition scheme was reviewed and relaunched in line with the organisational values.

In creating and sustaining a high-performance culture, SAICA has reviewed its Performance Management Policy with emphasis on organisational alignment that enables managers to get the most out of their team and for each individual to thrive within SAICA, thus inculcating a culture of accountability. Together these outcomes contribute to the overall enhanced performance of SAICA.



REMUNERATION POLICY (SUMMARISED)

| OBJECTIVE | SCOPE | COMPLIANCE | IMPLEMENTATION | SALARY BENCHMARKING |
|--|--|---|--|---|
| Serves to ensure standardised approach in the application of remuneration principles and practices | Competitive market-aligned remuneration balanced with the need for cost containment Founded on a total rewards context, which embraces all elements of the employee value proposition including compensation, benefits, recognition, career and growth opportunities and the work environment | Reviewed every three years or as and when required, to ensure that the terms are current, fair and relevant corporate and industry conditions | Developed the Human Capital Strategy Framework which encompassed key focused initiatives that would enable the attraction, development, and retention of high-performing employees | An annual survey/ benchmark to ensure that management rewards and remuneration are market related and kept at levels that will assist in retaining and attracting key leadership skills |

OBJECTIVE

The Remuneration and Reward Policy serves to ensure a standardised approach in the application of remuneration principles and practices within all the business units and functions of SAICA.

SCOPE

The policy provides for competitive market-aligned remuneration balanced with the need for cost containment. The policy is founded on a total rewards context which embraces all elements of the employee value proposition including compensation, benefits, recognition, career and growth opportunities, and the work environment.

COMPLIANCE

The Remuneration and Reward Policy is reviewed every three years, or as and when required, to ensure that the terms are current, fair and representative of relevant corporate and industry conditions.

IMPLEMENTATION OF THE REMUNERATION POLICY

To implement the policy provisions as envisaged, SAICA developed the Human Capital Strategy Framework encompassing key focused initiatives that would enable the attraction, development, and retention of high-performing employees.

SALARY BENCHMARKING

The organisation conducts a bi-annual salary survey/ benchmark to ensure that management rewards and remuneration are market related and kept at levels that will assist in retaining and attracting key leadership skills. SAICA remunerates in line with the 50th percentile (median) of the market to recruit and retain the management team to lead the organisation. Over and above the basic salary, eligible employees receive a performance incentive as per the Remuneration and Reward Policy.

For the reporting period, an independent review of the Remuneration and Reward Policy was conducted. The

overall results of the review were aligned to SAICA's objectives of ensuring that remuneration remains competitive. This enables SAICA to effectively manage its talent.

In accordance with the provisions of the policy, SAICA uses the services of an independent credible remuneration consultancy to provide increase trends reports in line with the Consumer Price Index (CPI).

SHORT-TERM INCENTIVES (STIs)

For the reporting period, the annual salary adjustments and the payment of the STIs were approved as per the policy for the employees in all job grades.

REMUNERATION POLICY IMPLEMENTATION REPORT

The remuneration policy, which determines the structure of the remuneration packages into fixed salary and variable pay, represented by a short-term incentive and benefits, remained unchanged during the year. SAICA's performance management process is directly linked to annual increases in total cost to company and annual short-term incentive bonuses.

Performance review and moderation sessions took place regularly throughout the year where the organisational performance, divisional and individual achievement of key performance indicators (KPIs), and delivery on key strategic objectives are discussed. All employees are rewarded for achieving performance targets as set out in their annual performance contracts. The performance score of an employee is based on a weighted average, which takes into consideration three elements:

- The performance of SAICA
- The performance of the division within which the employee operates, and
- The employee's individual performance

The three elements are weighted differently depending on the level of seniority of each employee. The respective element weighting takes into consideration the level of authority and influence an employee carries, with higher-level employees carrying a higher percentage of SAICA's performance. The Board chairperson oversaw the performance assessment of the CEO.

SAICA increases were awarded based on the performance managed through the Remuneration and Reward Policy in conjunction with the Performance Management Policy. Only employees who received the qualifying individual performance received salary increases.

The salary scales per grade were benchmarked and SAICA salary scales were found to be competitive.

The Board approved the annual salary increase percentage and the STI pool following the performance evaluations and the financial affordability recommended by the Human Resources and Remuneration Committee and Audit and Risk Committee.

Normal annual salary increases were moderated by the executive committee to ensure equity across the organisation before they were recommended for approval by the Human Resources and Remuneration Committee. Outcomes of the balanced scorecard for 2023 were audited by Mazars – these outcomes appear on pages 106 to 107. There were no ad hoc salary adjustments during the year.

A succession planning framework was developed and investment in skills training and development continued. See details of human capital initiatives on pages 84 to 85.

Looking forward, the investment in a human capital information system will enable the automation of all components of the human capital strategy, including the automation of performance management. See page 84.

NON-EXECUTIVE REMUNERATION

- The non-executive directors receive fees for serving on the Board and board committees.
- The fees for non-executive directors are recommended by the Human Resources and Remuneration Committee to the Board for consideration. The Board recommends the fees to members for approval at the SAICA annual general meeting.

EXECUTIVE REMUNERATION

- SAICA has a performance management process that is directly linked to annual increases in total cost to company and annual short-term incentive bonuses. Performance reviews and moderation sessions take place in accordance with the Performance Management Policy, where the organisational performance, divisional and individual achievement of KPIs and delivery on key strategic objectives are discussed.
- All employees are rewarded for achieving performance targets as set out in their annual performance contracts.
- NOMGOV oversees the performance assessment of the CEO and additional information is reported under the Chairman's report – see page 62.
- The performance score of an employee is based on

a weighted average, which takes into consideration three elements:

- o The performance of SAICA
- o The performance of the division within which the employee operates, and
- o The employee’s individual performance.

- The three elements are weighted differently depending on the job level of each employee. The respective element weighting takes into consideration the level of authority and influence an employee carries, with higher-level employees carrying a higher percentage of SAICA’s performance.

In line with King IV, the table below is a disclosure of SAICA Executives Directors’ remuneration (in R’000) using the single figure view for the period 01 January 2023 – 31 December 2023.



| CATEGORY | NAMES | BASE SALARY | BENEFITS | STI | TOTAL |
|---|-------------------|-------------|----------|-----|-------|
| CEO | *Patricia Stock | 408 | 0 | 0 | 408 |
| CEO | Freeman Nomvalo | 5 004 | 0 | 0 | 5 004 |
| COO | Fanisa Lamola | 3 243 | 401 | 953 | 4 597 |
| Executive Director – Learning, Development and National Imperatives | Robert Zwane | 2 160 | 344 | 653 | 3 157 |
| Executive Director - Governance | Jaco Snyman | 2 264 | 298 | 670 | 3 232 |
| Executive Director - Standards | Milton Segal | 2 002 | 263 | 592 | 2 857 |
| CFO | Obrey Nekhavhambe | 2 531 | 379 | 0 | 2 910 |

* Prorated for one month.

The committee confirms that all decisions in relation to executive remuneration were made in line with the SAICA’s Remuneration and Reward Policy and that there were no deviations from the policy in the reporting.

KEY FOCUS AND VALUE-CREATING ACTIVITIES FOR THE PERIOD UNDER REVIEW

The new SAICA Board member, Ms Thandi Thankge, was appointed to the main board of SAICA at the SAICA AGM on 25 May 2023. Ms Thankge was subsequently appointed as the chairperson of the HR & REMCO committee. After a successful handover by the former HR & REMCO chairperson, Ms Yasmin Forbes, her induction was undertaken. During the year under review, we placed focus on:

- The HR & REMCO work plan, including high-level oversight on HC strategy implementation (employee engagement, enablement and experience)
- SAICA’s 2024–2028 draft strategy review/development
- Considered SAICA’s balanced scorecard for 2024 and recommended approval to the Board
- The Organisational Review conceptualisation process
- Human Capital Information System implementation (Sage VIP)
- Considered the annual salary review and short-term incentive payment and recommended approval to the Board
- The Remuneration and Reward Policy review process
- Oversight of the strategic actions in response to the outcomes of the employee engagement survey

FUTURE FOCUS AREAS FOR 2024 AND BEYOND

The Organisational Review Project will be conducted to support the implementation of SAICA’s strategy (2024–2028). This project aims to facilitate the development of an integrated target operating model (TOM), optimise processes, and design an optimal organisational structure to align with strategic objectives.

The committee will provide oversight on the implementation of the SAICA 2024–2028 strategy and consider the resulting balanced scorecards and recommend these for approval to the Board.

The committee will oversee the automation of people practices, which includes the implementation of the enhanced performance management system within the organisation.

To ensure effective oversight of leading people practices, we will continue with HR & REMCO continuous professional development initiatives

Ongoing oversight of the strategic actions in response to the outcomes of the employee engagement survey will be maintained.

The HR & REMCO work plan will be attended to as always, including high-level oversight on HC strategy implementation (employee engagement, enablement and experience) and the annual salary review and short-term incentive payment and recommending to the Board for approval.

CONCLUSION

In conclusion, the committee confirms that it is satisfied that the governance and the implementation of the Remuneration and Reward Policy are in line with the best practice within the context of SAICA.



Meet Boitumelo Loate CA(SA)
Portfolio Manager: 36ONE Asset Management
Multi-Asset and Investment Analyst
Difference Maker

IMAGINE A FUTURE WHERE FINANCE CAN BE

A FORCE FOR POSITIVE CHANGE

Boitumelo Loate CA(SA), a titan in finance, secures the Lead category in SAICA's 2023 Top 35-under-35 Awards. With prestigious academic qualifications and a commitment to excellence, innovation, and social responsibility, she leads as Portfolio Manager at 36ONE Asset Management, shaping the industry's trajectory. Beyond her corporate endeavours, Boitumelo's dedication to education serves as a cornerstone of her professional ethos, impacting learners across diverse educational backgrounds and disciplines. Boitumelo's journey is a testament to her vision for a future where finance becomes a force for positive change and empowerment.



SUPPLEMENTARY INFORMATION

ACRONYMS

- 4IR – Fourth Industrial Revolution
- ABASA – Association for the Advancement of Black Accountants in Southern Africa
- ACFE – Association of Certified Fraud Examiners
- AG – Auditor General
- AGA – Associate General Accountant
- AGC – The Assurance Guidance Committee
- AGM – Annual General Meeting
- AICPA – American Institute of Certified Public Accountants
- APC – Assessment of Professional Competence
- ARC – Audit and Risk Committee
- ARP – Audit Reform Project
- ASA – *Accountancy SA* magazine
- ASPAC – Countries of the Asia-Pacific Region
- AT – Accounting Technician [AT(SA)]
- AWCA – African Women Chartered Accountants
- BASA – Banking Association of Southern Africa
- B-BBEE – Broad-based Black Economic Empowerment
- BLSA – Business Leadership South Africa
- BUSA – Business Unity South Africa
- CAANZ – Chartered Accountants Australia and New Zealand
- CAQ – Centre for Audit Quality
- CAW – Chartered Accountants Worldwide
- CAPtR – CA Pathways to Relevance project
- CEO – Chief Executive Officer
- CFO – Chief Financial Officer
- CIPC – Companies and Intellectual Property Commission
- CIPFA – Chartered Institute of Public Finance and Accountancy
- CISO – Cyber and Information Security Information Officer
- COGTA – Cooperative Governance and Traditional Affairs
- COO – Chief Operating Officer
- CoPc – Code of Professional Conduct
- CPD – Continuous Professional Development
- CTA – Certificate in the Theory of Accounting
- DEI – diversity, equity, and inclusion
- DOA – Delegation of Authority
- DTGC – Digital Transformation Governance Committee
- EAC – Education and Assessment Committee
- EAT – Exam Assessment Training
- ED – Enterprise Development
- EE – Employment Equity
- EMEA – Europe, the Middle East and Africa
- ERM – Enterprise Risk Management
- ERMC – Enterprise Risk Management and Compliance
- ESD – Enterprise and supplier development
- ESG – Environment Social and Governance
- EY – Ernst & Young
- FASSET – Sector Education and Training Authority (Seta) for the Finance, Accounting, Management Consulting and Other Financial Services Sector
- FATF – Financial Action Task Force
- FRSC – Financial Reporting Standards Council
- FSCA – Financial Sector Conduct Authority
- GAA – Global Accounting Alliance
- GIBS – Gordon Institute of Business
- GP – Gauteng Province
- GRAP – Generally Recognised Accounting Practice
- HDIs – Historically Disadvantaged Institutions
- HDSA – Human Development Student Association
- HODs – Heads of Department
- Hons – Honours
- HR – Human Resources
- HR & REMCO – Human Resources and Remuneration Committee
- IAASB – International Auditing and Assurance Standards Board
- IEP – Integrated Ethics Plan
- IESBA – International Ethics Standards Board for Accountants
- IEWG – Integrated Ethics Working Group
- IFAC – International Federation of Accountants
- IFRS – International Financial Reporting Standards
- IRBA – Independent Regulatory Board for Auditors
- ISFAP – Ikusasa Student Financial Aid Programme
- IRITS – Integrated Reporting, Integrated Thinking and Sustainability
- IT – Information Technology
- ITC – Initial Test of Competence
- JSE – Johannesburg Stock Exchange
- LEMS – Leadership Evolution Masterclass
- LPC – Legal Practice Council
- KPI – Key Performance Indicator
- KZN PAG – KwaZulu-Natal Provincial Accountant-General
- MANCO – Management Committee
- MFMA – Municipal Finance Management Act
- MIB – Members in Business
- MSOC – Managed Security Operations Centre
- MOU – Memorandum of Understanding
- NDP – National Development Plan
- NPO – Non-Profit Organisation
- NSFAS – National Student Financial Aid Scheme
- PAFA – Pan African Federation of Accountants
- PAIB – Professional Accountants in Business
- PCC – Professional Conduct Committee
- PFMA – Public Finance Management Act
- PGDA – Postgraduate Diploma in Accounting
- PHI score – Professional Health Index
- RCB – Recognised Controlling Bodies
- RFP – Request for Proposal
- SAAPT – South African Auditing Profession Trust Initiative
- SAICA CVO – Chief Value Officer
- SAICA-ED – SAICA Enterprise Development
- SALGA – South African Local Government Association
- SAQA – South African Qualifications Authority
- SARS – South African Revenue Service
- SDGs – Sustainable Development Goals
- SED – Socio-economic development
- SETCO – Social, Ethics and Transformation Committee
- SMME – Small, Medium and Micro Enterprises
- SMP – Small and Medium Practices
- SSTC – SAICA Sustainability Technical Committee
- STI – Short Term Incentives
- TEUF – Thuthuka Education Upliftment Fund
- THF – The Hope Factory
- TOR – Terms of Reference
- TVET – Technical Vocational Education and Training
- UIF – Unemployment Insurance Fund
- UN – United Nations
- UNDP – United Nations Development Programme
- VAT – Value-added Tax
- W&RSETA – Wholesale & Retail Sector Education and Training Authority
- XBRL – Business Reporting language

CORPORATE INFORMATION

SAICA NPO REGISTRATION NUMBER

020-050-NPO

REGISTERED OFFICE ADDRESS

17 Ficker Road
Illovo
Sandton
Johannesburg, 2196

Tel: **+27 (0)11 621 6600**
Email: **SAICA@SAICA.org.za**

POSTAL ADDRESS

Private Bag X32, Northlands, 2116

WEBSITE

www.SAICA.org.za

EXECUTIVE COMMITTEE

Sithembiso Freeman Nomvalo* – Chief Executive Officer
(until 31 January 2023)
Patricia Stock* – Chief Executive Officer
Fanisa Lydia Lamola* – Chief Operating Officer
Jaco Snyman – Executive Director: Legal and Governance
Robert Zwane – Executive Director: Learning, Development and National Imperatives
Milton Segal – Executive Director: Standards
*Executive Directors**

NON-EXECUTIVE DIRECTORS

Vincent Mohau Motholo
Johan du Toit *(rotated off 25 May 2023)*
Thandi Clara Thankge *(replaced Johan du Toit 25 May 2023)*
Babalwa Bekwa
Brenda Tsvetu
Yasmin Forbes
Dheren Singh
Sibonelo Cyril Madiba
Tintswalo Maggie Mofokeng
Alice Marié le Roux
Jacobus Swanepoel

BOARD SECRETARY

Jaco Snyman

AUDITORS

Mazars, Mazars House
54 Glenhove Road, Melrose Estate,
Johannesburg, Gauteng 2196, South Africa
Phone: 08610 SAICA (72422) or 011 621 6600



www.saica.org.za

