

**MATTERS ARISING FROM THE ANNUAL GENERAL MEETING (AGM) OF
THE SOUTH AFRICAN INSTITUTE OF CHARTERED ACCOUNTANTS HELD ON 27 MAY 2021**

Hummingbird Ref#

Minute Ref	Description	Responsible	Report
10.2	<p>Resolution 1: The 2020 SAICA Group Annual Financial Statements and Integrated Report</p> <p>Trevor Derwin requested an explanation on the IFRS 10 criteria requirements for consolidation of the Thuthuka Bursary Fund (TEUF) and the variable interest criteria are met.</p> <p>IFRS 10 requirements: Trevor Derwin stated the answer provided seems to be conflicting in accordance with IFRS 10. Susan Truter requested he contact the SAICA management and specify the IFRS 10 concern. This would enable Mazars to respond adequately and properly.</p>	<p align="center">ON</p> <p align="center">ST (Mazars)</p>	<p>This matter was addressed with a verbal response at the AGM by Obrey Nekhavhambe.</p> <p>Susan Truter from Mazars assured the members that SAICA management assess the control function over Thuthuka in terms of IFRS 10. Mazars' IFRS department confirmed that control still exists hence consolidation is required.</p>
13.7	<p>Resolution 4: Reappointment of a Non-CA Board Member</p> <p>Trevor Derwin stated candidate's résumé lacks motivation and perspicuity to make an informed decision and is purely driven from the SAICA Board's perspective.</p>	<p>TM</p>	<p>This matter was addressed with a verbal response at the AGM by Tsakani Maluleke.</p> <p>The SAICA Board instructed the Nomination Committee to canvas for candidates to serve on the Board. The committee adequately advertised for these vacancies, followed a detailed process of selection of eligible candidates, and the short-listed nominees were individually interviewed and assessed. In addition to the short-listed nominations, the committee made their recommendations and proposals to the SAICA Board. The candidates' CVs were circulated to the members with the AGM notice.</p> <p>Ms Bekwa was present in the meeting and did a brief introduction as requested by the member.</p>
17.2	<p>Resolution 8: Appointment of a CA Board Member</p> <p>Jari Cerny noted a conflict of interest arises from a SAICA Board appointment while serving on the IRBA Board.</p>	<p>TM</p>	<p>This matter was addressed with a verbal response at the AGM by Tsakani Maluleke.</p> <p>Members of IRBA are registered auditors and are therefore by default also members of SAICA. It would be unwarranted to preclude a SAICA member as a Board member on the basis that they are also a member of IRBA.</p>

20.4	<p>Resolution 11: Approval of The Amended Constitution Jari Cerny questioned the legitimacy of the SAICA Constitutional Review based on the possible bias of Roy Anderson.</p> <p>The East Rand Member District also requested to postpone the vote on Resolution 11 and therefore to provide an opportunity for the East Rand Member District to give input to the SAICA decision-making regarding amendments to the Constitution.</p>	SFN	<p>This matter was addressed with a verbal response at the AGM by Freeman Nomvalo.</p> <p>Roy Anderson did not participate in the amendments of the proposed SAICA Constitution tabled in this resolution.</p> <p>The review of the Constitution was led by the SAICA Board and executed in terms of the daily activities by SAICA leadership. The executive overseeing this process on behalf of the CEO's office was the Company Secretary, Jaco Snyman. Any comments made by Roy Andersen would have been in his capacity as a SAICA member, with no influential capacity in relation to his position at IRBA.</p> <p>Mr Andersen was appointed to IRBA after the Constitutional Review process was concluded and tabled to the Board in 2019. There is no correlation between the proposed Constitution and Mr Andersen's capacity to influence amendments from an IRBA perspective.</p> <p>The motion to postpone Resolution 11 was denied since each SAICA member has voting rights and the freedom to cast their votes accordingly.</p>
20.4	<p>Resolution 11: Approval of The Amended Constitution Robert Brons requested clarification on the procedural process regarding the Constitutional Review.</p>	SFN/JHS	<p>This matter was addressed with a verbal response at the AGM by Freeman Nomvalo and Jaco Snyman.</p> <p>The process allowed for extensive participation by members and incorporated best practice guidelines.</p> <p>The Governance Review commenced in 2018. The first phase was led by Roy Andersen. This resulted in the amendments of the Constitution tabled at the AGM in 2019 for consideration. SAICA members requested further engagement on the Constitutional Review at that AGM. All the relevant issues raised during that AGM were considered and members were invited to comment in June and July 2020.</p>
24.3	<p>General Jari Cerny stated discontent could have been avoided if adequate feedback was provided on the adoption or not of certain proposals on the Constitutional Review.</p>	TM	<p>This matter was addressed with a verbal response at the AGM by Tsakani Maluleke.</p> <p>The Constitution document was circulated with the AGM notice. With this notice, a Board-approved Word document with track changes to indicate</p>

			<p>the amendments proposed, was included.</p> <p>SAICA management ensured that members were engaged through structures such as the Regional Council and National Council. This provided every member with an opportunity to review their comments and suggestions. Any specific matter of concern can be addressed with management after the meeting.</p> <p>All comments made by members were noted. However, it is not practical to incorporate all the suggestions since some did not comply with the criteria and standards endorsed by the Board and management.</p>
24.6	<p>Constitutional Review Trevor Derwin stated that Advocate Du Toit's comments seem to imply a predetermined outcome and that any suggestion that did not contribute to this outcome was rejected.</p>	TM	<p>This matter was addressed with a verbal response at the AGM by Tsakani Maluleke</p> <p>There was no predetermined outcome for the Constitutional Review. There was a process set out and implemented by management under the direct supervision and oversight of the Board Sub-committee. This committee spent several hours evaluating and considering inputs by different members and processed these comments in detail.</p> <p>In conclusion, the effort and determination of this committee are evident in the proposed amendment to the Constitution and the votes cast by the members will determine the outcome.</p>
24.7	<p>Constitutional Review Robert Brons commented that the Constitutional Review points raised three years ago are not addressed.</p>	TM	<p>This matter was addressed with a verbal response at the AGM by Tsakani Maluleke</p> <p>The SAICA Board and management have received a proposal to amend the Constitution and will allow SAICA members to express themselves through the voting process collectively, instead of focusing on the viewpoint of the individual member.</p> <p>There is no predetermined outcome and majority votes need to be cast not in favour to adopt this resolution before implemented.</p>
24.9	<p>State Capture Muchekwa requested clarification on SAICA's position relating to PWC and Deloitte implicated in state capture.</p>	SFN	<p>This matter was addressed with a verbal response at the AGM by Freeman</p>

			Nomvalo and this matter was presented in his CEO's Report.
24.10	<p>SAICA Brand Awareness</p> <p>Zimkita Mabindla stated that the majority SAICA members are trustworthy and difference makers. A small minority of members are responsible for the brand issues relating to the profession. What is SAICA doing around reputation restoration?</p>	SFN	<p>This matter was addressed with a verbal response at the AGM by Freeman Nomvalo.</p> <p>Only a few members are implicated in the issues that affect the image of SAICA and management has taken cognisance of this issue.</p>
24.11	<p>Campaign Difference Makers</p> <p>Zimkita Mabindla enquired why it is so difficult for the Institute to convey the message that SAICA members are difference makers in industry?</p>	SFN	<p>This matter was addressed with a verbal response at the AGM by Freeman Nomvalo.</p> <p>SAICA members have always been difference makers, but SAICA is starting with a campaign to highlight difference makers as part of its trust reconstruction process.</p>