

CHARTERED INSTITUTE FOR BUSINESS ACCOUNTANTS NPC
REGISTRATION NUMBER: 1990/005364/08
("CIBA")

MINUTES OF THE ANNUAL GENERAL MEETING OF THE MEMBERS OF CIBA HELD VIA VIDEO CONFERENCE
ON TUESDAY, 17 OCTOBER 2023 AT 17H00

Attendance and Apologies:

Directors and office bearers:

1. Mr PC de Jager (PdJ) (Chairperson), Mr. PM Majozi (PM) (Non-executive director), Ms. LA Germanos (LG) (Non-executive director), Ms. N Dick (ND) (Non-executive director), Ms Babalwa Gova (BG), Ms C Booyens (CB) (Chief Financial Officer), Ms I de Jager (Chief Operation Officer), Ms A Jones (AJ) (Truter Jones Inc. – Company Secretary)
2. An apology was received from Mr NF van Wyk (NvW) (Chief Executive Officer).

Members:

3. The particulars of the members in attendance are recorded in the attendance register(s) for the meeting.
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1 WELCOME

With a quorum present, the Chairperson opened the AGM and declared the meeting duly constituted.

2 PROXIES

- 2.1 A proxy was received from JAH Coetzee (CIBA6693).

3 RECORD DATE

The Board determined, in accordance with section 59(1) (a) and (b) of the Companies Act, that the record date for members to receive notice of this annual general meeting and on which members must be registered as such in the register of members of CIBA was 3 October 2023. Therefore, the date for a member in good standing to be eligible to participate in, and vote at, this annual general meeting was 3 October 2023.

4 NOTICE

A notice convening this meeting was sent to all members on 3 October 2023 in accordance with clause 13.4 of the MOI. The notice contained the details of the resolutions to be considered at this meeting.

5 VOTING

5.1 At a meeting of members, voting may either by a show of hands or by poll (using an electronic ballot form). Since the AGM was held by electronic communication, voting was conducted by online poll, using an online ballot form. For the sake of convenience, voting took place after discussion of all the proposed resolutions.

5.2 Associate members were not entitled to vote but were permitted to attend the AGM.

6 APPROVAL OF THE MINUTES OF THE PREVIOUS AGM

The minutes of the AGM, held on 28 July 2022 (agenda item 2.3) and published on the CIBA website for information and noting purposes, were taken as read and noted.

7 PRESENTATION OF THE CHAIRPERSON'S REPORT

The Chairperson presented the Chairperson's report (agenda item 2.4) as published on the CIBA website.

G Hart asked if the Chairperson is also on the board of directors of the South African Institute of Tax Professional ("SAIT"). The Chairperson informed the members that he is not associated with SAIT at all, however, he is the Chairperson of the International CFO Alliance ("ICFOA").

8 PRESENTATION OF THE CEO'S REPORT

The CEO's report (agenda item 2.5) will form part of CIBA's Annual Report which is made available on the CIBA website. A video recording of the CEO's report was played. No material matters following from the presentation of the CEO's Report were highlighted for further discussion during the AGM.

9 PRESENTATION OF THE AUDIT AND RISK COMMITTEE'S REPORT'S REPORT

9.1 ND, as chairperson of the Audit and Risk Committee, presented the Audit and Risk Committee's Report.

9.2 L Bhengu asked: (i) whether there were specific reasons for the unchanged value of intangible assets; (ii) whether there were no new intangibles acquired or any impairments; and (iii) how CIBA was planning to manage its liquidity given the decrease in cash and cash equivalents.

9.3 CB explained to the members that Management is deploying strict cash management processes and focusing on communicating CIBA's value proposition to its members to ensure that members are aware of the benefits they derive from their membership. Management is also assisting members with flexible payment options insofar as cash flow allows.

9.4 M Madonsela enquired what the term of office is for members of the Audit and Risk Committee. AJ advised that the term of office is one year which year runs from one AGM to the date of conclusion of the following AGM.

10 PRESENTATION OF THE SOCIAL AND ETHICS, REMUNERATION AND NOMINATIONS COMMITTEE'S REPORT

10.1 LG, as chairperson of the Social and Ethics, Remuneration and Nominations Committee ("the SEC"), presented the SEC's Report.

10.2 L Bhengu enquired whether the SEC could provide specific metrics or outcomes related to CIBA's contributions towards employment opportunities, fraud and corruption prevention, and community contributions and if these outcomes aligned with CIBA's broader goals and stakeholder expectations.

10.3 The Chairperson informed the members that CIBA has an employment equity policy and that the human resources and remuneration policies are consistent with this policy and are monitored on a quarterly basis and reviewed by the SEC annually. The SEC thereafter presents the policies to the Board for final approval. Having regard to CIBA's contribution to the community, the Chairperson encouraged members to look at both CIBA's Facebook and LinkedIn social media posts which show all of CIBA's activities over the year and illustrate how CIBA is working with the community and local government. CIBA's employees are motivated and invigorated by the community initiatives and that community initiatives would continue throughout the foreseeable future CIBA is one of the most active and vocal contributors to Government at national, provincial, and local levels.

10.4 L Bhengu referred to the numerous policies reviewed and recommended for approval, especially in areas like remuneration and succession planning, and enquired how the SEC ensures that these policies are effectively communicated, implemented, and adhered to throughout CIBA. LG explained that the SEC and Board review and scrutinize the criteria and targets that are set for both Management and CIBA's staff members annually. Management and CIBA's staff members' remuneration packages are reviewed by the Board in accordance with the market benchmark as well as performance criteria adopted having regard to these policies.

10.5 The Chairperson further informed the members that there are internal metrics prepared by Management which are reviewed by the relevant Board committee. The internal metrics are thereafter

proposed to the Board for approval. The various policies are communicated to CIBA's employees and compliance is closely monitored.

11 ADOPTION OF THE PROPOSED RESOLUTIONS

The Chairperson explained that at a meeting of members, voting may either take place by a show of hands or by poll. Since the AGM was held by electronic communication, voting will be conducted by online poll, using an online ballot form.

The members were appraised of the requirements for passing of an Ordinary Resolution and a Special Resolution.

11.1 Ordinary resolution number 1 - Approval of the minutes of the previous AGM

The minutes of the previous AGM of CIBA held on 28 July 2022 were made available to members on CIBA's website at the link provided in the notice of meeting.

Members resolved that the minutes of the previous AGM of CIBA held on 28 July 2022 be and are hereby approved.

11.2 Ordinary resolution number 2 – Presentation of the audited annual financial statements

In terms of section 30(3) of the Companies Act read with clause 31.1 of CIBA's MOI, the annual financial statements of CIBA are required to be presented to members after the statements have been approved by the Board. A copy of the complete audited annual financial statements of CIBA for the financial year ended 30 June 2022 was made available to members on CIBA's website at the link provided in the notice of meeting.

Members resolved that the audited annual financial statements of CIBA, incorporating the directors' report and the independent auditor's report, for the financial year ended 30 June 2022 be and are hereby presented to members of CIBA.

11.3 Ordinary resolution number 3 – Appointment of auditors

CIBA is required each year at its AGM to appoint an auditor which complies with the requirements of section 90(2) of the Companies Act.

The Audit and Risk Committee is satisfied that Nexia SAB&T complies with the requirements of section 90(2) of the Companies Act and has nominated Nexia SAB&T for reappointment as the auditors of CIBA for the 2023 financial year.

Members resolved that Nexia SAB&T be re-appointed as the auditors of CIBA until the conclusion of the next AGM.

11.4 Ordinary resolution 4 - Remuneration of non-executive directors (“NEDs”)

11.4.1 In recognition of their commitment, NEDs are compensated with a nominal fee and reimbursed for approved expenses. It is proposed that the nominal fee for NEDs is increased by 11% - this adjustment aims to more adequately remunerate NEDs for their invaluable contributions to CIBA's ongoing success.

11.4.2 M Madonsela enquired if the fee included both preparation and sitting allowances. The Chairperson informed the members that the fee did include both preparation and sitting allowances.

11.4.3 M Mamabolo enquired if Management had considered the cash flow challenges when proposing the remuneration of board members given that CIBA is having challenges regarding members who are not renewing their memberships. CB informed the members that the cash flow was considered when determining the proposed remuneration increase for non-executive directors. The non-renewal of memberships did not have a significant impact on the cash flow because the members who were not renewing their memberships were associate/student members and not designation holders. The Chairperson further confirmed that the cashflow was considered.

11.4.4 L Bhengu pointed out that the proposed 11% increase in remuneration for non-executive directors exceeded the current CPI of 7%, and enquired if the Board could provide specific examples or metrics illustrating the increased complexity of CIBA's operations and the impact of the aggressive growth strategy on the responsibilities and time commitments of Board members. The Chairperson informed the members that the fee was proposed by Executive Management who considered numerous factors when determining the proposed fee. Management reviewed the time spent by the Committee members and Board of Directors on various matters, including the number of hours which they are expected to spend preparing for and attending meetings. The aggressive nature of the business requires increased involvement by the non-executive directors and management felt that this justifies the percentage increase. Non-executive directors provide strategic input, leadership guidance and share valuable learnings through their experience in their various industries. CIBA has a highly experienced and qualified board of professionals covering various fields of expertise. CIBA's proposed remuneration for non-executive directors was low in comparison to board fees paid by comparable professional bodies.

11.4.5 AJ advised that there had been an increased demand for board members' time in terms of CIBA's policies and governance procedures. AJ advised that there is a minimum of three board meetings

required per annum. From January 2023 to the date of the AGM, there had been six round Robin resolutions, 4 board meetings and a strategy session. This illustrated the increased amount of time that the board members were being required to dedicate to discharging their obligations. For three out of the four board meetings there was 100% attendance by directors. For every one board meeting there are two committee meetings which are attended by committee members and with regards to those committee meetings, 95% of them were attended with 100% attendance by directors.

11.4.6 Members resolved that the proposed remuneration of non-executive directors be and is hereby accepted and adopted.

11.5 Ordinary resolution number 5 – Endorsement of CIBA’s Remuneration Policy

A copy of CIBA’s Remuneration Policy was made available to members on CIBA’s website at the link stipulated in the meeting notice.

Per principle 14 of the King Report on Corporate Governance for South Africa, 2016, CIBA’s Remuneration Policy should be tabled to members for a separate non-binding advisory vote at the AGM. This vote enables members to express their views on the remuneration policies adopted and on their implementation. Accordingly, the members were requested to endorse CIBA’s Remuneration Policy, by way of a non-binding advisory vote.

Members resolved that CIBA’s Remuneration Policy be and is hereby endorsed.

11.6 Ordinary resolutions 6 and 7 - confirmation of appointment of Mr Rory W Voller and Ms Babalwa Gova as directors of CIBA

In terms of clause 18.7 of CIBA’s memorandum of incorporation, if the number of directors of the Company together with any ex-officio directors, falls below eleven, but provided at least three directors still remain in office, then the remaining directors shall be entitled to appoint directors to the board of directors to fill the vacancies so arising. The directors so appointed shall remain in office as determined during their appointment or until the first meeting of members of the Company, whichever event is the earliest.

The SEC interviewed, determined the eligibility of and recommended that Mr Rory W Voller and Ms Babalwa Gova be appointed to the board of directors of CIBA. These appointments were approved by the Board on 26 August 2022 and 18 August 2023 respectively.

Members resolved that the appointment of Mr Rory W Voller as a director of CIBA by the board of

directors in terms of clause 18.7 of CIBA's memorandum of incorporation be and is hereby confirmed.

Members resolved that the appointment of Ms Babalwa Gova as a director of CIBA by the board of directors in terms of clause 18.7 of CIBA's memorandum of incorporation be and is hereby confirmed.

11.7 Ordinary resolution 8 - Re-election of P de Jager

The Chairperson has served his final additional term as a director and, in terms of 21.3 of CIBA's MOI, he is required to serve a cooling off period of 1 year. However, given that the Chairperson also represents CIBA on the board of certain international institutions, the Board is of the view that his continued service as a director is of critical strategic importance to CIBA.

In the circumstances, subject to the adoption of special resolution number 1 below, the Board recommends the re-election of the Chairperson as a director of CIBA. The Chairperson has agreed to make himself available for re-election for an additional term.

Members resolved that subject to the amendment of clause 21.3 of CIBA's MOI, Mr Pieter Christiaan de Jager be and is re-elected as a director of CIBA.

11.8 Ordinary resolutions 9, 10 and 11 - Re-election of directors of CIBA

Clause 21.2 of CIBA's memorandum of incorporation requires all elected and appointed directors on the Board to retire from office no later than the third annual general meeting after their election. To this end, the Social and Ethics, Remuneration and Nominations Committee has determined that Ms Nonhlanhla Mona-Dick, Ms Lee-Anne Germanos and Mr Phumlani Majozi have served their three-year term and will retire at the annual general meeting.

Ms Nonhlanhla Mona-Dick, Ms Lee-Anne Germanos and Mr Phumlani Majozi have agreed to make themselves available for re-election for an additional term of 3 years.

M Madonsela proposed that the term of office for the directors be at least 5 years and the board and committees be 3 years. The Chairperson explained that the term of office for directors sitting on the Board and Committees should ideally be aligned to avoid disruption.

AJ further commented that the reason for the term of office for directors being set at three years is because it can be daunting for prospective directors when faced with a five-year appointment because it is quite a long time and three years is considered to be more manageable. Directors are more willing to serve for shorter terms. Notwithstanding the aforesaid, the SEC will consider the five-year proposal on the basis that the terms of office for the directors and members of committees would be aligned.

Members resolved that Ms Nonhlanhla Mona-Dick be and is re-elected as a director of CIBA.

Members resolved that Ms Lee-Anne Germanos be and is re-elected as a director of CIBA.

Members resolved that Mr Phumlani Majozi be and is re-elected as a director of CIBA.

11.9 Ordinary resolutions 12, 13, 14 and 15 - election of members to the Audit and Risk Committee.

CIBA is required to elect at least 3 (three) members to the Audit and Risk Committee who are all independent non-executive directors.

To this end, the Board is satisfied Ms Nonhlanhla Mona-Dick, Mr Rory W Voller, Ms Babalwa Gova and Mr P de Jager are eligible to be elected to the Audit and Risk Committee in terms of section 94(4) of the Act, in that none of the candidates are (a) involved in the day- to-day management of CIBA or have been so involved during the previous financial year; (b) a prescribed officer or full-time employee of CIBA or have been such an officer or employee during the previous 3 financial years; or (c) a material supplier or customer of CIBA such that a reasonable and informed third party would conclude in the circumstances that the integrity, impartiality or objectivity of that director is compromised by that relationship; and (d) is not related to any such persons. Accordingly, the Board recommends their election to the Audit and Risk Committee.

L Bhengu commented on the critical role of the Audit and Risk Committee in ensuring financial integrity and managing risks and enquired if the Board could provide insights into the specific qualifications, experiences, and contributions of Ms. Nonhlanhla Mona-Dick, Mr. Pieter de Jager, Mr. Rory W Voller, and Ms. Babalwa Gova that make them best suited for their respective roles on the Committee.

L Bhengu further enquired how the Board ensures that the members of the Audit and Risk Committee stay updated with the evolving financial and risk management landscape to effectively oversee CIBA's financial and risk management processes. L Bhengu commented that insights would be suffice and that it was commendable that CIBA recognises the value of stability and consistency during periods of growth and transition.

The Chairperson informed the members that RV holds a BA law, LLB and an LLM degree specializing in commercial law from both the University of KwaZulu – Natal and UNISA and has served on a number of very high-level and technical panels and committees. Having RV on the Board strengthens CIBA's position with the economic regulators and CIBA's participation in policy making. RV provides CIBA with fair and honest opinions on changes to government policies. The Chairperson noted that RV's full resume is published in the AGM notice.

BG is an accountant and registered auditor and founder of MaJali Chartered Accountants which is an auditing and advisory firm. BG holds a Bachelor of Commerce (Honors) in Accounting from the University of KwaZulu – Natal. BG started her career with the Auditor General and has been a Chartered Accountant since 2015. BG is also an Engagement Quality Assurance Reviewer.

ND is a qualified Chartered Accountant and a Chief Financial Officer and is an invaluable asset to the Board and that he himself is a Chief Financial Officer and director of various multi-national companies' Boards.

Members resolved that Ms Babalwa Gova be and is hereby elected as a member of the Audit and Risk Committee of CIBA and to continue in office until the next annual general meeting.

Members resolved that Ms Nonhlanhla Mona-Dick be and is hereby re-elected as a member of the Audit and Risk Committee of CIBA and to continue in office until the next annual general meeting.

Members resolved that Mr Pieter de Jager be and is hereby re-elected as a member of the Audit and Risk Committee of CIBA and to continue in office until the next annual general meeting.

Members resolved that Mr Rory W Voller be and is hereby elected as a member of the Audit and Risk Committee of CIBA and to continue in office until the next annual general meeting.

11.10 Special resolution 1 - proposed amendment to CIBA's memorandum of incorporation

CIBA's Memorandum of Incorporation ("MOI") requires directors to retire from office no later than the third annual general meeting after their election. Thereafter and in terms of clause 21.3 of the MOI, directors may be re-elected to office for one additional term whereafter they are subject to a one year 'cooling off' period before they may again stand for election.

CIBA operates in a unique environment and is experiencing a period of extensive and rapid growth. During this transition period, it is in the best interests of CIBA to have a consistent board of directors that is knowledgeable about CIBA's history and strategies and is accordingly best able to navigate CIBA through its transition and in certain instances to represent CIBA internationally.

Clause 21.3 of the MOI is problematic in that the requirement that directors are subject to a cooling off period disrupts the continuity of the Board and will result in CIBA losing skilled directors who, over the past 6 years, have gained substantial insight, experience and training in CIBA's affairs and business environment.

In the circumstances, the Board hereby recommends the amendment of clause 21.3 of CIBA's MOI as above. The effect of this resolution, if adopted, will be to allow directors to serve two additional terms before being subjected to a one year cooling off period.

Members resolved that clause 21.3 of CIBA's MOI be amended to read as follows:

"Retiring directors may be re-elected to office for ~~one~~ two additional terms whereafter the director shall be subject to a 1 (one) year 'cooling off' period before he may again stand for election."

11.11 Special resolution 2 - amendment to CIBA's memorandum of incorporation:

There have been a number of instances recently whereby members have been found to have been erroneously registered in circumstances in which they do not meet the requirements for registration for membership, designations and/or licences.

As an accountable institution, *inter alia*, to CIPC and SARS, it is essential for CIBA to be able to satisfy regulators, members of the public and its own members that it maintains relevant and effective minimum qualification and experience requirements. Accordingly, if a member fails to remedy his non-compliance with the requirements for registration for membership, designations and/or a licence after having been provided an opportunity to do so, CIBA requires the ability to terminate the relevant membership, designation and/or licence.

L Bhengu requested the Board to shed light on the root causes behind the erroneous registrations, and what preventive measures are being put in place to avoid such instances in the future. L Bhengu further enquired how CIBA engages with its members to ensure clarity, understanding, and a fair process before termination in cases of erroneous registration or non-compliance.

CB informed the members that CIBA was awarded the status of Recognised Controlling body (RCB) in June 2022. There were some changes by SARS to the registration requirements for one of the designations and there was a time limit for compliance. Some registrations were processed erroneously and were subsequently reviewed by CIBA. Management reviewed its processes and various checks which it had in place and subsequently decided to propose the amendment to the MOI.

The Chairperson informed members in respect of L Bhengu's second question that the abovementioned incident occurred over the 2022 festive season and that all of CIBA's employees were recalled from leave to the office to ensure that CIBA did not lose its regulatory control status. All necessary steps were taken to address the issue and CIBA used various platforms to contact the affected members which included telephone calls, SMSs, WhatsApp messages and e-mails. Members were informed of the issue at hand and were assisted with complying with the new requirements.

M Madonsela enquired if CIBA accommodates members outside of the accounting fraternity who have a financial background in their earlier stages of study. M Madonsela said explained that the reason for his question was that there are members in our communities who have once engaged in the finance field and later changed fields for whatever reason. Furthermore, some people have accounting in their degrees or diplomas but do not qualify for a CIBA designation.

PdJ informed the members that one had to consider the exclusivity of the requirements for membership and the various tiers of membership which CIBA offers. One also had to consider what the standard is that CIBA holds itself to and what standard CIBA is willing to sell to the population of South Africa and if there was appetite to create a special class of membership for non-accountants with some financial background. The Board discusses this topic at a strategy level from time to time and considers the resources that CIBA has available to pursue possible different memberships. CIBA has opened a recognition for prior learning program and guides members on a path to get the necessary further qualifications to be able to be full members such as Business Accountants in practice in due course.

IdJ confirmed that CIBA does offer the recognition of Prior Learning obtained in the form of part qualifications, modules and short courses and entry routes to its designations which supports CIBA's value of having an Open Access model to the industry. IdJ encouraged members to contact one of CIBA's professional portfolio consultants if they required further.

Members resolved that clause 10.4 of CIBA's MOI be amended to read as follows:

"Membership of the Company and/or designations and/or licences issued by the Company shall further be terminated on written notice to a member if:

- 10.4.1 the member's membership is terminated pursuant to clause 9.6;
- 10.4.2 the member has been erroneously registered as a member of the Company or for a designation and/or licence in circumstances in which he does not comply with the requirements for registration, provided that the member has been afforded at least 10 (ten) Business Days to remedy such non-compliance and has failed to do so within this period;
- 10.4.23 the member no longer complies with the requirements for membership of the Company from time to time; ~~or~~
- 10.4.34 the member has failed to comply with any applicable continuous professional development requirements or provide a police clearance certificate or affidavit when he is required by the Company to do so, provided that the member has been afforded

a reasonable period of time to remedy such non-compliance and he has failed to do so; or

10.4.5 the member fails to pay any amounts due by that member to the Company in terms of clauses 8.9.1 and/or 8.9.2 and/or any other amounts owed by such member for goods and/or services provided by the Company to the member, on or before the date on which such amounts fell due, provided that the board of directors may in its discretion reinstate any member who makes payment of any arrears due within a period of 3 (three) months after the date on which it is due.

12 GENERAL

No questions raised.

13 CLOSING

With there being no further business to transact, the Chairperson thanked the members for their attendance and contribution and declared the AGM closed.

Signed as a correct recording of the meeting.

CHAIRPERSON

DATE