

Association of International Certified Professional Accountants

Board of Directors

Minutes of Meeting: Tuesday, July 19 – Thursday, July 21, 2022

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Association of International Certified Professional Accountants

Board of Directors

Minutes of Meeting: Tuesday, July 19 – Thursday, July 21, 2022

A meeting of the Association Board of Directors was held Tuesday, July 19 – Thursday, July 21, 2022, in New York and via video conference call. The meeting convened at 1:30pm EST and a quorum was declared.

Attendance

The following Board members were present:

Paul Ash	Carla McCall
Mark Begich	Anoop Mehta
Rebecca Bennett	Barry Melancon
Simon Bittlestone	Andy Mintzer
Jonyce Bullock	Trisha Nomura
Mary Grace Davenport	Robert Phillips
Sarah Ghosh	Bill Pirolli
Ebonie Jackson	Okorie Ramsey
Melanie Kanaka	Asif Sadiq
Lexy Kessler	Scott Showalter
Beth Kieffer Leonard	Matt Snow
Marie Large	Keren Stephen
Shirley Liu	Alan Whitman

Also present:

Erik Asgeirsson, Chief Executive Officer – CPA.com
Terry Branstad, former United States Ambassador to China
Sharon Bryson, CEO – North Carolina Association of CPAs
Michael Buddendeck, General Counsel
Karl Busch, Senior Director – Product Management
Lawson Carmichael, Chief Membership & Operating Officer
Steven Churchill, Partner with Branstad Churchill Group
Paul Clarke, Executive Vice President – Marketing & Member Experience
Sue Coffey, CEO – Public Accounting
Yasmine El-Ramly, Director – Governance
Emmanuel Faber, Chair, International Sustainability Standards Board
Nate Fredrickson, Vice President – MA Qualification Pathways

Mike Freeman, Associate Manager – Strategy & Operations
Sarah Gentry-Kanashiro, Lead Manager – Governance
Tom Hood, Executive Vice President – Business Growth & Engagement
Jeannette Koger, Vice President – Transformation
Tim LaSpaluto, Vice President – Finance
Vicky Li, Regional Vice President – North Asia
Julie Bell Lindsey, CEO – The Center for Audit Quality
Cynthia Lund, Vice President – State Society Affairs
Tim Mahne, Vice President – Propositions & Experience
Janice Maiman, Executive Vice President – Reputation & External Affairs
Justin Mauter, Senior Manager – Strategy
Kalil Merhib, Vice President – Growth & Professional Services
Michelle Mullen, Vice President – International Advocacy
Ash Noah, Vice President - Managing Director – MA Learning, Education & Development
Amy Pawlicki, Vice President – Assurance & Advisory Innovation
Mark Peterson, Executive Vice President – Advocacy
Erika Rios, Lead Specialists – Governance
Scott Spiegel, Chief Financial Officer
Joel White, Senior Director – Internal Audit, Risk & Compliance
Cheryl Wipper, Vice President – Content and Communications

Welcome and Opening Remarks from the Association Chair & Co-Chair

Anoop Mehta, Chair, and Melanie Kanaka, Co-Chair, welcomed everyone to the Board meeting and gave a special welcome to the newest board members and guest, Sharron Bryson, CEO – North Carolina Association of CPAs. Mr. Mehta asked each of the new board members to introduce themselves.

Mr. Mehta and Ms. Kanaka provided a brief update on activities that had transpired since the last Board meeting and asked for approval of the April 26-28, 2022, Board minutes. The Board approved the minutes, and meeting minutes were authorized for placement on the Association's website.

Reimagination of Association's Value and Proposition (RAVE): Key Milestones and the Road Ahead

Lawson Carmichael, Chief Membership & Operating Officer, Jeanette Koger, VP – Transformation, and Tim Mahne, VP - Propositions & Experience, provided an update on the American Institute of CPAs (AICPA) RAVE deployments and the Chartered Institute of Management Accountants (CIMA) RAVE milestones.

Mr. Carmichael briefed the Board on RAVE, membership satisfaction feedback received and areas for improvement.

Ms. Koger updated the Board on the membership proposition and tiers, and personalisation for members and engaged professionals and discussed areas that can drive additional benefit to members. She reiterated that RAVE is the reimagination of membership propositions and experience to drive engagement and support members.

Mr. Mahne presented the transformative skills pack to the Board. He explained the transformative skills pack will have modules covering Technology (Digital), soft skills and topics such as Environmental, Social, and Governance (ESG) and Diversity, Equity, & Inclusion (DEI), as well as a personalized newsfeed.

Ms. Koger concluded the discussion with an update on RAVE performance as of June 2022 and presented key takeaways.

Report on the Dynamic Audit Solutions (DAS) Initiatives

Amy Pawlicki, Vice President – Assurance & Advisory Innovation, Karl Busch, Senior Director – Product Management, and Kalil Merhib, Vice President – Growth & Professional Services provided an update to the Board on the Dynamic Audit Solution (DAS).

Ms. Pawlicki and Mr. Busch summarized DAS progress to date and discussed the market drivers impacting audit. She reminded the Board that DAS is about transforming the audit

through an activity-based, data-driven workflow that helps to inform auditor judgment through the selection of relevant procedures at the appropriate time

Global Finance Leadership Program Roll-out

Nate Frederickson, Vice President of Management Accounting Qualification Pathways and Ash Noah, Vice President and Managing Director of Management Accounting Learning, Education & Development provided an update on the Global Finance Leadership Program (FLP) roll-out.

Mr. Frederickson noted the FLP has been rolled out across all markets except the United Kingdom (UK). The UK roll-out is on schedule for the later part of 2022. He further noted the FLP enables the Association to reimagine and truly digitize its value proposition.

Mr. Noah discussed the FLP pathway and noted it is being positioned as a critical part of delivering the future CGMA professional qualification.

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The meeting adjourned for the day at 5:13pm EST on Tuesday, July 19, 2022.

The meeting reconvened on Wednesday, July 20, 2022, at 8:33am EST and a quorum was declared.

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China's Association Strategy & Changing Political and Regulatory Environment

Lawson Carmichael, Chief Membership & Operating Officer, Andrew Harding, CEO – Management Accounting, and Vicki Li, Regional VP - North Asia updated the Board on the Association's China strategy and on the latest business, regulatory and political landscape.

Mr. Carmichael provided an update on the geopolitical conflict with China and its impact on strategic, operational, and external risks to the Association and its stakeholders. He

confirmed no change in plans or execution against the China Strategy but continued monitoring geopolitical risks to assess how to best serve the China market.

Ms. Li and Mr. Harding discussed the eight strategic objectives and top 12 initiatives. Ms. Li recapped the China growth strategy, noted accomplishments, and discussed future progression. Mr. Harding noted the advantages of Digital Management Accounting (DMA) and announced the DMA program official launch took place in June. Terry Branstad, former United States Ambassador to China and Steven Churchill, Partner with Branstad Churchill Group joined Mr. Carmichael, Ms. Li and Mr. Harding spoke about the U.S. and Chinese relationships.

Report from the CEO

Barry Melancon, CEO, provided a global COVID-19 update and addressed how staff and members are dealing with the global landscape in Russia and Ukraine. He also shared updates on Environmental, Social, and Governance (ESG) issues, the International Financial Reporting Standards (IFRS), Audit Quality, and the profession's reputation. Additionally, he discussed talent management, aging member demographics, and private equity in the profession.

Mr. Melancon provided an update on the Association including work environment, culture, pay, attrition and recruitment, and branding. He updated the Board on key performance indicators (KPIs) and the impact of the current political climate on the profession.

Mid-Year Strategy Report and KPIs

Lawson Carmichael, Chief Membership & Operating Officer delivered an update on strategy and noted most initiatives are meeting key milestones, while staffing, timing and external pipeline are impacting others. He shared key milestones and achievements including the launch of Digital Management Accountant (DMA) in China and the release of a new platform (RAVE) to AICPA members.

Mid-Year Financial Report and KPIs

Carla McCall, Chair of the Audit & Finance Committee and Scott Spiegel, Chief Financial Officer, provided an update on the Association's 2021 finances and KPIs. Ms. McCall noted that the Audit & Finance Committee (A&F) met prior to the Association Board meeting and reviewed the A&F Committee results and approved the Association's 401(k) plan. Ms. McCall also noted the Committee received updates on the Internal Audit, Risk & Compliance (iARC) plan for the year.

Mr. Spiegel provided an update on the Association's 2022 mid-year forecast and KPIs. He noted various world crises may have an impact on revenue, but mitigation strategies are being developed, and no forecast adjustment have been made.

Promoting our Professional Reputation in Complex Times

Janice Maiman, Executive Vice President of Reputation & External Affairs, and Mark Peterson, Executive Vice President of Advocacy, delivered an update to the Board on reputational risks and highlighted proactive steps being taken to build reputational resilience. Ms. Maiman noted the Association's efforts to drive trust, opportunity, and prosperity. Mr. Peterson discussed ways to manage current reputational issues, as well as potential opportunities, and outlined areas for alignment and potential risks.

Ms. Maiman briefed the Board on reputation research with US policymakers. She announced the launch of the Purpose in Action landing page on aicpa.org with unlocked, foundational content aimed at external audiences on key topics.

Global Advocacy Strategy

Mark Peterson, Executive Vice President – Advocacy, and Michelle Mullen, Vice President of International Advocacy, provided a brief reflection on the role, purpose, and focus of the Association's global advocacy program and updated the Board on recent global advocacy initiatives.

Mr. Peterson updated the Board on Environmental, Social, and Governance (ESG) reporting, emerging issues with the America Competes Act, and other recent developments in the US and EU.

ISSB Chair Discussion on ESG Global Awareness and Adoption

Emmanuel Faber, Chair of the International Sustainability Standards Board (ISSB), provided an overview of the ISSB and updated the Board on ISSB initiatives, detailing its work on Environmental, Social and Governance (ESG) matters.

Client Advisory Services (CAS) 2.0 Deployment

Erik Asgeirsson, CEO of CPA.com and Kalil Merhib delivered an update on the Client Advisory Services (CAS) 2.0 deployment, which is a methodology and business model framework for delivering high-value client advisory services. Mr. Merhib noted digital transformation and value of financial accounting services delivered through CAS mirrors that of the transformation occurring in many internal finance organizations in business and industry.

Mr. Asgeirsson noted the AICPA and CPA.com's role in enabling firms and businesses for CAS 2.0 combines business strategy, upskilling firms and talent, and enabling technology optimization.

Closing Remarks by the CEO

Barry Melancon thanked the Board members and staff for their participation, in-person and virtually, and contributions to the effectiveness of the Board meeting.

Closing Remarks by the Association Chair and Co-Chair

Mr. Mehta and Ms. Kanaka concluded the meeting by opening the floor for questions from the Board and thanking the Board for a successful first meeting of the volunteer year. Mr. Mehta noted the next Board meeting will be in November 15-17.

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There being no further business, the meeting adjourned at 12:00pm GMT on Thursday, April 28, 2022.

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