

Audit and Risk Committee

The role of the Audit and Risk Committee is to assist the Board in fulfilling its responsibilities in relation to the identification and mitigation of areas of significant business risk, including:

- effective management of financial risks;
- reliable management reporting;
- compliance with statutory laws and regulations across all facets of the business;
- maintenance of an effective and efficient audit, including the appointment of auditors;
- protection of the company's financial and physical assets; and
- monitoring the inherent business risks in the operating environment and recommending governance related policies to the Board of Directors.

The Committee reviews the business risk environment and ensures Cancer Council SA has policies to effectively manage material risks. The governance related policies of the Board are:

- Conflict of Interest
- Corporate Governance Statement
- Delegations of Authority
- Intellectual Property for Funded Research
- Investment*
- Performance Planning and Review**
- Public Health Policy Approval Process
- Remuneration**
- Risk Management
- Work Health and Safety
- Whistle-Blower Policy.

The Committee's business is arranged to review the policies in a systematic manner to ensure they remain relevant and effective.

As part of its ongoing work, the Committee considered Cancer Council SA's risk management policy and considered the indemnity levels maintained for insurable risks. Cancer Council SA has reviewed its information technology and communications environment and the risk management and mitigation practices to ensure our system protections are robust and our recovery plans are effective.

Each year the Committee reviews the annual financial statements and the report of the external auditor. The Committee met with the auditor to discuss emerging financial reporting requirements, the financial reports and statements and the conduct of the audit.



Ms Nicolle Rantanen Reynolds
Chair

Cancer Research Committee

The role of the Cancer Research Committee is to assist the Board to fulfil its responsibility to monitor and assess Cancer Council SA's investments in cancer research.

To perform this role, the Committee reviews Cancer Council SA investment across the following key areas:

- Beat Cancer Project 2: Assess the South Australian Health and Medical Research Institute's (SAHMRI's) performance and management of the \$17 million Beat Cancer Project 2 against a set of key deliverables;
- 2016–2021 South Australian Cancer Research Strategy: Monitor investments in cancer research against the strategy;
- Peter Nelson Leukaemia Research Fellowship: Monitor the performance of the Fellowship recipient, Dr Laura Eadie;
- Lin Huddleston Ovarian Cancer Research Fellowship: Monitor the performance of the Fellowship recipient, Dr Carmela Ricciardelli; and
- Provide advice to the Board on matters regarding cancer research.

Cancer Council SA's Beat Cancer Project—Summary of Annual Review

In November 2020, the Committee received a report from SAHMRI and considered the following areas:

- The impact of interim recommendations from the South Australian Productivity Commission Inquiry into Health and Medical Research;
- Mentoring and capacity-building of early- and mid-career researchers to promote long-term research capacity in South Australia;
- Identifying and committing to areas of focus and strength for cancer research in South Australia including workforce and projects; and
- Strategic investment in population health and health services research.

Cancer Council SA's Beat Cancer Project and the South Australian Cancer Research Strategy

The second iteration of the Beat Cancer Project ended on 30 June 2021, bringing a successful 10-year collaboration to a temporary end. A new Cancer Research Strategy was endorsed by the Cancer Council SA Board, aligned to the recommendations of the SA Productivity Commission Inquiry into Health and Medical Research and will inform the development and implementation of the Beat Cancer Project 3.

Reports: 2019–2020

The Committee noted the work of the Peter Nelson Leukaemia Research Fellowship fund recipient, Dr Laura Eadie.

The Committee noted the work of the Lin Huddleston Ovarian Cancer Research Fellowship, Dr Carmela Ricciardelli.



Mr Jim Birch AM
Chair

Investment Committee

As an advisory committee to the Board, the Investment Committee is responsible for:

- recommending investment policy and monitoring its administration;
- reviewing financial risk in respect to investment management;
- reviewing and monitoring investment mandates, including allowable investments;
- reviewing the appointment of fund managers and their performance; and
- receiving and considering large and/or non-standard investment-related transactions.

Cancer Council SA's investment portfolio comprises of direct portfolio investments and investment portfolios managed by professional external fund managers. During the year the committee met with and monitored the performance of both the external fund managers and the direct portfolio advisers.

Cancer Council SA's investment portfolio generated investment income of \$1.4 million for the financial year. The capital value of our equity and managed investments increased by \$3.9 million in the year, reflecting a strong performance by both the investment markets and of the individual managers.

Cancer Council SA continued to hold high levels of defensive assets to ensure the liquidity required to cash flow the 202 Greenhill Road redevelopment project, due to be completed in June 2022.

Total investment in equities and managed investment increased by \$4.2 million from \$16.8 million to \$21.0 million in the financial year, cash and term deposit investments increased by \$11.0 million to \$28.6 million during the same period, mainly due to the receipt of a \$10.0 million grant from SA Health for the 202 Greenhill Road redevelopment project. Cancer Council SA maintains an investment portfolio to provide liquidity and financial security against the financial risks of declining community fundraising and the long-term liabilities arising from research funding commitment. The Investment Policy incorporates prudent financial management elements to ensure a diversified portfolio profile. Income from the investment portfolio more than covers Cancer Council SA's corporate governance costs, with the excess being directed to cancer research, prevention and support activities.



Mr Jason Russo
Chairman

Nomination and Remuneration Committee

As an advisory committee to the Board, the Nomination and Remuneration Committee is responsible for:

Staff remuneration

- recommending the Remuneration Policy for endorsement by the Board;
- reviewing the performance of and setting the Chief Executive's remuneration;
- monitoring remuneration of General Managers and staff within Board approved budgets; and
- audit compliance of remuneration practice within the approved Policy.

Board nominations

- advise the Board on policy issues relating to Board composition;
- set core competencies for Directors;
- develop a pool of future Director candidates;
- manage the Director selection process and recommend a shortlist of Directors to the Board for consideration; and
- manage the Director and Board performance evaluation process.

Chief Executive

After two terms (six years) the Committee recommended to not renew the employment contract of the Chief Executive which expired on 30 June 2021. The full Board agreed to extend the Chief Executive's contract for a further three months to 30 September 2021 to allow for an orderly transition.

Mr Lincoln Size was acknowledged and thanked for his significant contribution to Cancer Council SA during his time as CE and the diligence and values applied during his time; noting that Mr Size increased the efficiency of the business during his time as CE, with very evident outcomes and Cancer Council SA is now in a position to reinvest into the future.

Board nominations

The Committee considered the composition of the Board in light of:

- the changing strategic operating environment of the company over the next three to five years, as defined in the strategic plan;
- the future skill base requirement of the Board;
- current Board skill base; and
- expected Director rotation and appointment policy.

Three Directors retired during the year. The Committee reviewed a number of potential candidates and recommended a short-list to the Board for consideration, with three subsequent appointments.



The Hon. Karlene Ann Maywald
Chair