Actuaries Institute.

1 September 2026

General Manager
Policy and Frameworks
Policy and Advice Division
Australian Prudential Regulatory Authority

Email: PolicyDevelopment@apra.gov.au

Dear General Manager,

Response to Proposed New Prudential Standard CPS 510 Governance

The Actuaries Institute ('the Institute') welcomes the opportunity to provide feedback on the APRA's proposed new draft Prudential Standard CPS 510 Governance ('CPS 510').

The Institute is the peak professional body for actuaries in Australia. Our members work in a wide range of fields including insurance, superannuation and retirement incomes, banking, enterprise risk management, data science and AI, climate change impacts and government services, including at senior executive and non-executive director level.

The Institute has a longstanding commitment to contribute to public policy discussions where our members have relevant expertise. The comments made in this submission are guided by the Institute's 'Public Policy Principles' that any policy measures or changes should promote public wellbeing, consider potential impacts on equity, be evidenced-based and support effectively regulated systems.

We support APRA's proposed new draft CPS 510, noting many of the issues raised by the Institute in our Response to Governance Review Discussion Paper have been considered.

Our one further suggestion relates to the composition of Board Committees. We recognise APRA has carefully considered the governance rationale for proposing, under draft CPS 510, that only full Board members hold voting rights on APRA-required Board Committees, and we support the broader intent to strengthen Board accountability. We would, however, welcome APRA's consideration of an alternative approach that preserves this objective while retaining the value that non-Board expert members bring. External experts, including actuaries, are often appointed to committees for specialist knowledge that may not otherwise be available to the Board, and their full participation in voting can strengthen the quality of Committee deliberations and recommendations.

The ability to appoint non-Board members to Board Committees is particularly relevant for superannuation funds operating under an equal representation model, where Boards may have limited scope to appoint additional members with specific skill sets and instead rely on Committees to access this expertise. Should APRA proceed with the proposed requirement, we would suggest that Board Committees be required to affirm to the Board the position of non-voting expert members on the Committee's recommendations – whether they support, do not object to, or object to them. This ensures this expertise remains visible in Board decision-making.

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We also note the proposal that the Board skills matrix cover behavioural attributes, supported by clear assessment criteria and rating scales of proficiency that can be measured and verified. Behavioural attributes are inherently subjective, and what is appropriate is likely to vary considerably between entities depending on strategy, business mix and complexity. We would welcome APRA's consideration of whether a requirement for measurable and verifiable rating scales can be applied practically to behavioural attributes, or whether Boards are better placed to determine how these are assessed in their own context.

If you would like to discuss aspects of this submission, please contact the Institute via (02) 9239 6100 or public_policy@actuaries.asn.au.

Yours sincerely

(Signed) Elayne Grace

CEO