

Preamble

As a condition of membership, all members¹ of The Australasian Institute of Mining and Metallurgy (AusIMM or Institute) must always comply with the Institute's Charter, By-Laws, Code of Ethics, regulations and any professional codes adopted by the AusIMM Board ('the Board').

For an individual member, the Professional Standards Compliance Process (PSCP)² commences when a member joins the AusIMM, and each member is reminded of their compliance obligations upon each membership renewal. The purpose of the PSCP is to uphold professional standards for the benefit of the community, resource professionals, and members.

Compliance is assessed and adjudicated via these Professional Conduct Regulations (PCR).

These Regulations are applied when an allegation of misconduct is validly lodged, and concerns the professional activities of an AusIMM member, including when that member holds an officer³ position with the Institute. There is no jurisdiction for these Regulations when regarding an allegation against a non-member, nor for any allegation which is subject to current civil or criminal proceedings.

The adherence to strict confidentiality by all parties is paramount to the integrity of the implementation of the PCR. Members must however acknowledge that in the course of investigations pursuant to the PCR, that information may need to be sought from other parties. In such instances, the identity of parties to the matter will only be divulged on an absolutely necessary basis and in complete confidence. Any party to an allegation, at their own cost, may also seek professional, legal and/or wellbeing support.

Allegations of misconduct are investigated in accordance with these Regulations and in a timely manner, subject to the requirements for procedural fairness.

In the first instance, the Professional Conduct Committee (PCC) assesses all allegations that are validly lodged. The Ethics Committee (EC) assesses any matter considered by the Professional Conduct Committee to potentially involve anything more than a minor or procedural breach of the Code of Ethics, and the Ethics Committee adjudicates appeals of the determinations of the Professional Conduct Committee. This dual committee approach allows the majority of matters to be handled without implication of unethical behaviour. Appeals of the Ethics Committee determinations are adjudicated by an independent third party (ITP).

The onus is on a Complainant to provide evidence supporting an allegation.

In particularly serious circumstances, a matter may be referred to a relevant regulatory or statutory body.

AusIMM Professional Conduct Regulations Commencement

1. These Regulations are the Professional Conduct Regulations 2024 and are effective from 27 September 2024.

Interpretation

2. In these Regulations, words and expressions have the same meanings as in the Charter and By-Laws.
3. Any allegation may constitute one or more matters.
4. Parties to a matter include each Complainant and each Respondent.

¹ As used in this document, the singular of any word or designation, whenever necessary or appropriate, shall include the plural and vice versa, and the masculine gender shall include the female and neuter genders and vice versa.

² The PSCP applies to all members globally. Members should also familiarise themselves with the relevant legal and regulatory requirements in the jurisdictions in which they are working.

³ An 'officer' includes a person elected or placed into a position that is formally recognised by AusIMM's Royal Charter, namely a Director, Delegate; or a Committee Member and excludes an employee of the AusIMM.

Recitals

5. By-Laws 8.3 and 9.2 require that all members always comply with the AusIMM's Charter, By-Laws, Code of Ethics, Regulations and any professional codes adopted or recognised by the AusIMM Board. These are published on the AusIMM's website (<https://www.ausimm.com>). Adherence to these requirements applies to all members of any grade.
6. Professional codes adopted or recognised by the Board include, but are not limited to:
 - a) the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, (JORC Code)
 - b) the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (VALMIN Code),
 - c) other recognised mineral resource and mineral reserve national reporting codes (NRO's) recognised by Committee for Mineral Reserves International Reporting Standards (CRIRSCO).

COMPLAINT ASSESSMENT AND ADJUDICATION PROCESS

Professional Conduct and Ethics Committees

7. The Board must appoint members to each of a Professional Conduct Committee and an Ethics Committee. A member is unable to serve on both committees simultaneously.
8. The Board will appoint all members of the Professional Conduct and Ethics Committees.
9. Professional Conduct and Ethics Committee members may be appointed for terms of up to three years and may serve on the committee for up to six consecutive years at the Board's discretion. In exercising its discretion, the Board will be mindful of facilitating each of the PCC and EC to appropriately fulfil their mandate.
10. The Professional Conduct Committee shall be constituted with a minimum of six Honorary Fellow or Fellow members. A quorum of the Professional Conduct Committee shall be three members.
11. The Ethics Committee shall be constituted with a minimum of six Honorary Fellow or Fellow members. One member of the Ethics Committee shall be a Board director. A quorum of the Ethics Committee shall be three members.
12. The Board will appoint the Chair and may appoint a Deputy Chair to each Committee. The Board Director shall not be the Chair or Deputy Chair of the Ethics Committee.
13. The systematic process for appointment of members to each of the Professional Conduct and Ethics Committees is as follows:
 - a) The Board, in cooperation with each of the Professional Conduct and Ethics Committee Chairs, will prepare essential and preferred criteria (*committee criteria*) for member(s) of each Committee. Each Chair, in cooperation with their committee, will assess the current committee against the required *committee criteria* skills matrix and determine the gaps. This process informs the specific skills to target for new members (*new member criteria*).
 - b) The Compliance Secretariat will issue to Fellows and Honorary Fellows of The Institute the *new member criteria* and call for nominations by a specified date.
 - c) Upon receipt of nominations, the relevant Committee Chair will consult with their Committee and assess how each applicant's attributes relate to the *new member criteria*;
 - d) In the event that an insufficient number of eligible candidates respond to a call for nominations, the Chair of either committee may canvas Fellows and Honorary Fellows (of known skills and experience to fill the required skills matrix) directly to seek their acceptance of nomination.

- e) The Chair of each relevant Committee will provide a written recommendation to the Board based upon assessing how each nominee's attributes relate to the *new member criteria*;
- f) The Board will ratify each Committee Chair's recommendation or appoint different nominee(s) from those who submitted a complying nomination.
- g) The Board will notify each Committee Chair and the Compliance Secretariat of the term of each appointment⁴; and
- h) the Compliance Secretariat will notify successful and unsuccessful nominees, and their term of appointment for successful nominees.

14. Responsibilities of the Board director, as a member of the Ethics Committee, include:

- a) informing the Board of matters before the Committee that could present a legal, commercial or reputational risk to the AusIMM;
- b) updating the Board regarding matters referred under Clause 31;
- c) recusing themselves from subsequent discussion and determinations regarding any matters referred to the Board.

15. The CEO will nominate to the Board two staff members of the AusIMM to conduct the roles of Compliance Secretariat and Alternate Compliance Secretariat respectively. Upon receiving approval from the Board, the CEO will notify the Professional Conduct Committee and Ethics Committee accordingly. The role of the Compliance Secretariat is limited to:

- a) administrative support services to assist the effective operation of the Professional Conduct and Ethics Committees; and
- b) maintaining confidential filing and storage system of records of matters handled pursuant to the PCR for a minimum of seven (7) years from the date of final determination of each case; and
- c) maintaining a Brief Summary Report of all active PCR cases (anonymous as to identification of parties) which includes:
 - I. original allegation lodgement date;
 - II. general nature of allegation;
 - III. PCC status: dismissed, in progress or determined, and list of remedy categories applied;
 - IV. appeal to EC (if any) lodgement date;
 - V. EC status: dismissed, in progress or determined, and list of remedy categories applied;
 - VI. appeal of EC determination lodgement date (if any);
 - VII. ITP status: dismissed, in progress or determined, and list of remedy categories applied; and
- d) issuing the Brief Summary Report on a quarterly basis to each of:
 - I. the Board Representative on the Ethics Committee;
 - II. the Chair of the Professional Conduct Committee;
 - III. the Chair of the Ethics Committee;
 - IV. the President, and
 - V. the CEO.

The tenure of appointment of each of the Compliance Secretariat and Alternate Compliance Secretariat endures until CEO notifies the Professional Conduct Committee and Ethics Committee of any changes.

16. The Compliance Secretariat may issue formal correspondence on behalf of each of:

⁴ *The Board is required to consider that no more than two members' terms should end within six months of each other, and that nominations for new members should be called a minimum of six months prior to an existing member's term expiring.*

- a) the Professional Conduct Committee, as directed by and on behalf of its Chair, and
 - b) the Ethics Committee, as directed by and on behalf of its Chair, and
 - c) the independent third party, as directed by and on behalf of it, and
 - d) the Board, as directed by and on behalf of the President.
17. The CEO may direct the Alternate Compliance Secretariat to temporarily substitute for the Compliance Secretariat when the Compliance Secretariat is unavailable for a duration which adversely impacts upon the timeliness and workings of investigations and issue of determinations.

Lodgement of Allegations

18. Any person, or organisation, may lodge an allegation in respect of a member.
19. Where that allegation relates to the AusIMM Board as a whole, or a current AusIMM Director regarding their role as a Director, the allegation must be referred directly to the Chair of the Ethics Committee via email, EthicsChair@ausimm.com. The Chair of the Ethics Committee is responsible for initiating an independent investigation by an external party.
20. Every allegation must be submitted in writing using the form template(s), available on the AusIMM website. Completed allegation form(s) including any associated attachments, must be lodged via the compliance email address noted on the form, and must include:
- a) the full name and contact details (email and mailing address) for each Complainant;
 - b) the name and any other available identifying details of each Respondent to the allegation;
 - c) an unambiguous, comprehensive and clear description of the alleged breaches of the AusIMM's Charter, By-Laws, Code of Ethics, Regulations and/or any Professional Codes adopted or recognised by the Board such as CRIRSCO;
 - d) relevant evidence supporting the allegations;
 - e) a description of any commercial relationship or potential for perceived conflict of interest between each Complainant and each Respondent to the allegation.

If the allegation is not validly lodged, the Compliance Secretariat will advise the Complainant accordingly.

21. Upon receipt of an allegation which satisfies the requirements of Clause 20 (thus considered to be validly lodged), the Compliance Secretariat will:
- a) confirm each person named as Respondent to the allegation is a current member of the AusIMM and was a member at the time the alleged breach occurred; and if so
 - b) refer the matter to the Chair of the Professional Conduct Committee for assessment;
 - c) advise the Complainant of matters referred to the Professional Conduct Committee; and
 - d) notify Complainant that all parties are bound by ongoing confidentiality (unless otherwise prescribed in these PCR), and that they may seek individual professional or legal advice, at their own cost.

If a Respondent does not satisfy clause 21(a), the Compliance Secretariat will advise the Complainant that the allegation against that Respondent cannot be investigated.

Investigations – general requirements

22. All considerations and deliberations undertaken pursuant to the Professional Standards

Enforcement Process are confidential, except where disclosure is required by law, or in the circumstance where the Board determines there is a need to advise others when deemed necessary to uphold professional standards and protect the community.

23. The name of a Complainant must not be revealed to a Respondent unless this is considered necessary for the proper investigation of the allegation. This will only occur with the written permission of that Complainant or as required by a judge, court or other competent authority. Should a Complainant not provide permission as requested, the committee may terminate further investigation into the matter.
24. If a member resigns their membership prior to the final determination of any matter to which they are a Respondent, that member shall not be eligible to reapply for membership of the AusIMM for a minimum period of five years, or longer if resolved by the Board.
25. In the course of investigations pursuant to these PCR, information may need to be sought from others. In such instances, the identity of parties to the matter will only be divulged on an absolutely necessary basis, and on the basis of requiring absolute confidentiality from the party receiving disclosure.
26. Assessment or investigation of any matter may be suspended or terminated if a matter is or becomes the subject of, or directly connected with, alternative dispute resolution or legal proceedings. The onus is on the parties to the matter to promptly advise the Compliance Secretariat if alternative dispute resolution or legal proceedings are initiated. The Compliance Secretariat will notify the parties in the event of the matter assessment or investigation being suspended or terminated.
27. The name of a Complainant or Respondent must not be revealed to any parties external to the Board, Professional Conduct and Ethics Committees, advisory panels and independent experts except on a "need to know" basis (as determined by the Professional Conduct, the Ethics Committees or the Board) and as necessary to maintain professional standards, protect the community or comply with legal requirements. This may involve communication with companies, other professional bodies, regulatory and statutory bodies. Additionally, the Board may approve the public naming of a member in accordance with Clause 58.
28. The Professional Conduct and Ethics Committees must operate within the requirements of the Charter, By-Laws and these Regulations, and in doing so may vary or develop further procedures and protocols to guide their operations.

Assessment and investigation procedure

29. The Chair of the Professional Conduct Committee (or designate) must consider all allegations referred to them in accordance with Clause 21b), and refer each allegation to the Professional Conduct Committee.
30. An incomplete or non-specific allegation will not be accepted for investigation, and each Complainant will be advised accordingly via the Compliance Secretariat.
31. In the event of a matter concerning very serious allegation(s), underpinned by adequate supporting evidence, or a matter relating to one or more AusIMM entities (branches, committees, or communities of interest but excluding the Board), the Chair of the Professional Conduct Committee, upon resolution of the PCC and after considering potential for conflict of interest, will escalate the matter to the President (or other Board delegate) and CEO. Escalation may also include convening a meeting with any or all of, the Chair (or delegate) of the Professional Conduct Committee, President (or other Board delegate), CEO, Chair (or delegate) of the Ethics Committee, and Board Representative on the Ethics Committee to consider any interim action including but not limited to:
 - a) submission of a recommendation to the Board that a Respondent's membership be suspended; and/or
 - b) where an allegation or appeal is lodged against a member in their capacity as an officer of the Institute, submission of a recommendation to the Board that during the period of the investigation and finalisation of the matter, that member must stand down from their officer role; and/or

- c) notification to a relevant regulatory or statutory body; and/or
- d) any additional measure, deemed reasonable in the circumstances, to protect the Institute's reputation and/or financial position.

Any measures resolved pursuant this Clause may only be implemented with the approval of the Board.

32. Members of the Professional Conduct and Ethics Committees must declare and have formally recorded in meeting minutes any potential, real or perceived conflicts of interest⁵ in a matter under consideration and must recuse themselves where appropriate. If there is an issue of *perceived* conflict, then it needs to be considered within the deliberating Committee prior to its deliberations of a matter. Having considered whether the perceived conflict may harm the integrity of matters handled via these PCR, the deliberating Committee will determine whether a member is required to recuse themselves from the matter. If the Professional Conduct Committee is unable to achieve a quorum due to the enactment of this provision, the PCC may refer the matter to the Ethics Committee. If the Ethics Committee is unable to achieve a quorum due to the enactment of this provision, the EC may, via the Board director member of the EC, request the Board to appoint additional members for the purposes of dealing with the relevant matter.
33. In investigating a matter, the Professional Conduct Committee must provide each Respondent:
- a) relevant details of matters they consider admissible within an allegation. (It is not a requirement that each Respondent receives a copy of the original allegation, but each Respondent must be provided with sufficient information to understand its entire context without revealing details that may identify a Complainant);
 - b) an invitation to provide a written response to the matters raised within a specified reasonable timeframe;
 - c) a reminder that all aspects of the investigation must remain confidential, including the determinations unless otherwise provided for in these Regulations, and
 - d) information that professional, legal and/or wellbeing advice may be sought at each Respondent's own cost, and in such circumstances all parties are bound by the confidentiality imposed by the PCR.
34. All parties to an allegation are required to respond to Committee requests in a timely, open and honest manner.
35. The Professional Conduct Committee must consider any information provided by each Respondent.
- In addition, the Professional Conduct Committee may seek and consider:
- a) advice, or if appropriate, additional information from the Board or any of its directors, CEO, relevant AusIMM Committees, regulators, securities exchanges, Fellow and subject matter experts and other relevant third parties;
 - b) clarification or additional information relating to each matter from each Complainant and/or each Respondent;
 - c) relevant information available in the public domain (for example, company records, Public Reports, court documents).
36. The Professional Conduct Committee may redefine or expand a matter if this is considered necessary to uphold professional standards. However, this clause must be interpreted very narrowly, to avoid the introduction of a new matter not reasonably anticipated as included within the scope of the lodged allegation.

⁵ A conflict of interest arises where a member's professional duty and personal interests will or could improperly influence the performance of his or her duties, irrespective of whether an actual conflict exists.

37. During the course of, or at the conclusion of its investigation, the Professional Conduct Committee will, for each matter of the allegation:
- a) dismiss a matter which it determines is trivial or vexatious; or
 - b) dismiss a matter which it finds is unsubstantiated or is not a violation of the Institute's Charter, By-Laws, Code of Ethics, Regulations or any relevant professional codes, or otherwise beyond the jurisdiction of the AusIMM; or
 - c) dismiss a matter due to lack of sufficient evidence provided by a Complainant; or
 - d) dismiss a matter arising from a lack of timeliness by a Complainant in complying with any request for further information; or
 - e) recommend a matter be settled by alternative dispute resolution; or
 - f) determine the outcome of a matter which it deems is a minor breach of each Respondent's obligations under the AusIMM Charter, By-laws, Regulations or Code of Ethics or a procedural breach of the Professional Codes; or
 - g) determine the outcome of any matter, except those which potentially involve a material breach of any clause of the Code of Ethics (which may include unprofessional behaviour, or ethical breaches of the Professional Codes); or
 - h) for a matter which potentially involves a material breach of the Code of Ethics, refer the matter to the Ethics Committee for assessment and determination. In such circumstances, the PCC may elect to refer all matters of the allegation to the EC.
38. If the Professional Conduct Committee determines that any allegation is substantiated, it may:
- a) impose a remedy, which may include an advisory notice or a caution, or
 - b) impose a formal remedy in the form of a warning, and/or
 - c) require a Respondent to take actions to redress the breach, including notifying any related parties or regulatory or statutory bodies, arrange the formal re-issue of any affected public reports, or to undertake relevant professional training.
39. The Professional Conduct Committee may not impose sanctions involving suspension of membership or expulsion from membership.
40. At the conclusion of the Professional Conduct Committee investigation, the Chair of the Professional Conduct Committee must arrange for each Complainant and Respondent to be advised in writing of the Committee's determination, the reasons for the determination, and any remedy imposed.
41. In the case of the Professional Conduct Committee referring one or more matters to the Ethics Committee, the Chair of the Professional Conduct Committee must make all relevant material from the Professional Conduct Committee investigation available to the Ethics Committee, including a summary of information considered to be relevant to the case.
42. Except for a decision by the Professional Conduct Committee to refer a matter to the Ethics Committee, any party to the matter may appeal any determination of the Professional Conduct Committee to the Ethics Committee. An appeal (outlining the grounds) must be lodged in writing within 30 days of the date of issue of the determination of the Professional Conduct Committee, using the requisite form template available from the AusIMM website, and all remaining parties to the matter must be advised of the valid lodgement of an appeal.
43. The Ethics Committee must consider any matter referred to it by the Professional Conduct Committee pursuant to Clause 37, or any determination of the Professional Conduct Committee appealed pursuant to Clause 42.
44. In considering an appeal against determinations of the Professional Conduct Committee, the Ethics Committee may uphold or vary those determinations. The Ethics Committee may

refer any matter of the appeal back to the Professional Conduct Committee for further investigation.

45. In considering a matter, the Ethics Committee will prepare and issue to each Respondent⁶ a statement outlining the allegations along with any supporting evidence the Committee deems admissible and relevant, including redacted expert reports (where commissioned). The Ethics Committee must invite each Respondent to provide any further written response to the matters raised. The Ethics Committee must review the Professional Conduct Committee's investigation, taking into consideration any further information provided by the parties to the matter.

In addition, the Ethics Committee may:

- a) seek clarifications and/or further information from each Complainant or Respondent;
 - b) seek professional advice;
 - c) seek advice, or if appropriate, additional information from the Board or any of its directors, CEO, relevant AusIMM Committees, regulators, securities exchanges, Fellows, subject matter experts and other relevant third parties;
 - d) make use of relevant information available in the public domain (for example, company records, Public Reports, course documents).
46. The Ethics Committee may redefine or expand a matter if deemed necessary to uphold professional standards. However, this clause must be interpreted very narrowly, so as to avoid the introduction of a new matter not reasonably anticipated as included within the scope of the lodged allegation.
47. During the course of, or at the conclusion of its investigation, the Ethics Committee will, for each distinct matter:
- a) dismiss a matter which it determines is trivial or vexatious; or
 - b) dismiss a matter which it finds is unsubstantiated or is not a violation of the Institute's Charter, By-Laws, Code of Ethics, Regulations or any relevant professional codes; or
 - c) dismiss a matter due to lack of sufficient evidence provided by a Complainant or Appellant; or
 - d) dismiss a matter arising from a lack of timeliness by a Complainant or Appellant in complying with any reasonable request for further information; or
 - e) refer the matter back to the Professional Conduct Committee; or
 - f) recommend a matter be settled by alternative dispute resolution; or
 - g) determine the outcome of a matter which it deems is a breach of a Respondent's obligations under the Code of Ethics.
48. The Ethics Committee may impose remedies that it determines are appropriate to the circumstances and these are described in Clause 58.
49. At the conclusion of the Ethics Committee's investigation (and following Board review in the case any recommendation of suspension or expulsion), the Chair of the Ethics Committee must arrange for each Complainant and Respondent to be advised in writing of the Committee's determination(s), the reasons for the determination(s), and any remedy or remedies imposed.
50. If, as a result of its investigation and further evidence adduced, the Ethics Committee determines that the determination(s) of one or more separate but directly related and previously closed matters have been incorrectly determined by the Professional Conduct Committee, the Ethics Committee may:

⁶ In the context of matters investigated by the Ethics Committee, a 'Respondent' may include a Respondent to the original allegation, and/or a Respondent to any appeal.

- a) refer the matter to the Professional Conduct Committee for re-consideration and potential re-determination, or
 - b) issue a revised determination for the previously closed matter.
51. Any party to the matter may appeal the determinations of the Ethics Committee using the designated form template from the AusIMM website. The Appeal will be heard by an independent third party appointed by the Board. An appeal must outline the grounds for the appeal and be validly lodged within 30 days of the date of issue of the determination(s) of the Ethics Committee. Except for each Appellant, all parties to a matter must be advised of the grounds of each appeal regarding that matter.
52. No additional evidence may be considered for an independent third party appeal.
53. The independent third party, (one or more persons not necessarily members of the AusIMM) appointed by the Board to consider an appeal, will do so as soon as practicable after their appointment. In selecting the independent third party, the Board will:
- a) have regard to potential conflict of interest;
 - b) consider whether any specialist skills are required, and
 - c) acquaint the independent third party with the requirements for procedural fairness and confidentiality.
54. The independent third party shall be provided with all of the material considered by each of the Professional Conduct Committee and Ethics Committee and their determinations.
55. The independent third party may rescind any or all of the determinations of the Ethics Committee, and it may impose remedies or recommend sanctions pursuant to Clause 58.
56. The determination(s) of the independent third party appointed to consider an appeal shall be final. No further avenue of appeal will be considered, nor will be available, through the AusIMM. The parties to the matter and the Board must accept the determinations made by the independent third party; however, remedies and sanctions remain subject to those available in Clause 58, subject to Board review where required by Clause 59.

Disciplinary procedures

57. The Professional Conduct Committee may impose a remedy as outlined in Clause 38.
58. The Ethics Committee or the independent third party may:
- a) impose a remedy, which may include an advisory notice or a caution, or
 - b) impose a formal remedy in the form of a warning, and/or
 - c) require a Respondent to take actions to redress the breach, including notifying any related parties or regulatory or statutory bodies, arrange the formal re-issue of any affected public reports, or to undertake relevant professional training; and/or
 - d) recommend more serious sanctions including membership suspension or expulsion from membership; and/or
 - e) recommend the public release of details of the Ethics Committee's adverse findings against a Respondent; and/or
 - f) recommend that the AusIMM notify any relevant parties or regulatory or statutory bodies.
59. Sanctions (suspension, expulsion, public release of information or notification of other bodies) must be reviewed by the Board, and if deemed appropriate, endorsed by the Board before they can be applied.

60. Upon recommendation from the Professional Conduct Committee or the Ethics Committee, the Board may require recovery of external costs from a member deemed to be in breach, or from any Complainant who is found to have prosecuted a complaint which is vexatious. Such costs must have been reasonably incurred by the AusIMM in investigating a matter. The AusIMM may issue a Tax Invoice (invoice) to the member deemed to be in breach. Failure by a member to pay such costs will result in:
- a) suspension of membership if payment is not received within three months after the date of issue of an invoice, and
 - b) expulsion from membership if payment is not received within nine months of the date of issue of that invoice.
61. Upon the expiry of any opportunities for appeal as set out in these Regulations, surviving determinations of the Professional Conduct and Ethics Committees, or the independent third party, must be implemented by the relevant parties within a reasonable time.

Annual Report

62. The AusIMM Chief Executive Officer (CEO) must arrange for an annual report to be prepared by the Compliance Secretariat summarising the outcomes of determinations which have resulted in the application of remedies or sanctions. Parties to each determination will not be disclosed. The Board must approve the annual report prior to its publication to members.