

5 June 2025

Attn: General Manager

Policy Development  
Policy and Advice Division  
Australian Prudential Regulation Authority

VIA E-MAIL: [PolicyDevelopment@apra.gov.au](mailto:PolicyDevelopment@apra.gov.au)

## **SUBMISSION IN RESPONSE TO GOVERNANCE REVIEW – DISCUSSION PAPER**

Heritage and People's Choice Limited trading as People First Bank (People First Bank) welcomes the opportunity to respond to the Australian Prudential Regulation Authority's (APRA) Governance Review Discussion Paper (Discussion Paper).

We recognise that strong and effective governance is essential to the achievement of a safe, stable and resilient banking sector and that robust governance frameworks underpin prudent decision-making and risk management. We acknowledge and support APRA's efforts to uplift the governance requirements for regulated entities. People First Bank is fully supportive of the proposals set out in the Discussion Paper with one exception relating to Proposal 4(a).

People First Bank has a number of non-regulated subsidiary entities that do not conduct material business operations in their own right. By way of example, People First Bank's subsidiary entities provide trust management services and conduct activities relating to community fundraising. In our view, proposal 4(a), requiring that at least two independent directors (including the chair) are not members of any other board within the entity's group, would introduce a disproportionate level of complexity and expense and would not result in enhanced governance outcomes for the group.

We understand that APRA has received other feedback and indicated that it is intending to revise the scope of this proposal.

We agree that limits on director tenure are appropriate and recognise that overly long tenures impact the independence of a director. Accordingly, we are supportive of a tenure limit of 10 years for non-executive directors.

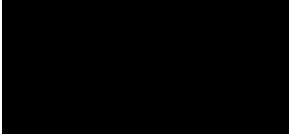
We understand, however, that APRA may be contemplating a revision to this proposal to enable regulated entities under certain and limited circumstances to increase the 10-year tenure limit to 12 years without requiring express approval by APRA. We confirm that we would also be supportive of this approach if this position is ultimately adopted by APRA.

People First Bank remains committed to fostering high standards of corporate governance and we consider that the proposals outlined in the Discussion Paper will contribute to strengthening the resilience and accountability of the financial system.



We would welcome the opportunity to consult with APRA on this matter, and we look forward to continued engagement as these important governance enhancements progress.

Yours sincerely



**Chief Executive Officer  
People First Bank**

