

## **Board of Directors Finance, Investment, and Remuneration, Committee Terms of Reference (20 November 2018)**

### **1. Definitions and Interpretation**

In these Terms of reference, unless the context otherwise requires, words and expressions shall have the same meaning as ascribed in the Articles of Association. Without limiting the generality of the foregoing:

- a. "Association" means the International Water Association, a company registered in England and Wales;
- b. "Director" means a member of the Board of Directors of the Association; and
- c. References to one gender shall include the other gender.

### **2. Purpose and Authorities**

The purpose of the Committee is to hold management to account on behalf of the Board; review Association financial management, investment, and budgeting "policies and procedures" and advise the Board on these matters. As an example these matters concerns budgeting, accounting, financial reporting and internal controls, including the Risk Register. It also concerns the management accounts and the annual report and financial statements before they are submitted to the Board of Directors and the committee deals directly with the internal and external auditor regarding the conduct of independent audits. It also sets the Investment Manager's mandate and monitors performance on a quarterly basis. The Committee reports to the Board and receives instructions from the President. The Committee does not act for the Board. The Committee has all the rights and privileges conferred on individual Board members concerning access to Association information and staff. Requests for assistance in accomplishing Committee responsibilities, including staff assistance and access to professional services, shall be directed to the President or Executive Director, as appropriate.

### **3. Duties**

- a. Execute the following financial duties, as follows:
  - i. Ensuring compliance with the Association's financial procedures and reviewing the content thereof periodically.
  - ii. Reviewing in line with the Association's financial and budgeting reporting procedures:
    1. Draft statutory accounts;
    2. Annual Budget;
    3. Quarterly performance against budget;
    4. Specific project performance
    5. Risk management policies and procedures
  - iii. Defining and reviewing an internal audit programme and reviewing the external auditor's management letter following the annual audit and management's response. Also ensuring that recommendations are promptly and effectively implemented by management
  - iv. Ensuring the accounting and financial management function is suitably resourced and based on good analytical support, and good provisions

- v. Identifying specific areas for review as approved by the Board, in particular the financial implications of new strategies and initiatives (business plans related to new initiatives).
- b. Execute the following investment duties, as follows:
  - i. Recommending investment policies for consideration and adoption by the Board, including proposed ethical positions with respect to appropriate investments.
  - ii. Oversight of the management of Association investments in accordance with these policies.
  - iii. Periodic reporting to the Board and the Governing Assembly on the condition of the Association's investments.
  - iv. Periodically recommending updates to the Association's Investment Policies for consideration and adoption by the Board.
- c. Revise annually the remuneration policy, the top management staff remuneration and the level of adequacy of financial staff for consideration and validation at board level.
- d. Other duties as assigned.

#### **4. Membership**

The Committee shall consist of at least four members and be made up of the Treasurer and up to two members drawn from the IWA membership (either an individual Member or an employee of a Corporate Member) and at least one of these shall be an independent professional qualified accountant from the UK. The remaining members of the Committee shall be drawn from current or former directors, provided that they are independent and are not executives of the Association. Committee members will be nominated by the President and approved by the Board. The term of service shall be two years, corresponding to the period of service for the current Board. Members can serve multiple terms.

The President and Executive Director are ex-officio members.

#### **5. Committee Governance**

The Treasurer shall serve as Chair. The Committee Secretary will be the Company Secretary or other person suitable to act and the manager, legally responsible to Companies House for the financials and Governance for the IWA shall attend for reporting the information. Formal actions will generally occur during a duly constituted meeting, which requires that a quorum (a majority of Committee members) be present by phone or physically and that all Committee members have been notified that a meeting has been called and have been given due opportunity to participate. Only members of the Committee have the right to attend Committee meetings. However other individuals and external advisers may be invited to attend by the Chair for all or part of any meeting as and when appropriate. Any member of the Board of Directors or Governing Assembly may attend the meeting with the agreement of the Chair. Meetings can be in person or by telephone conferencing. Actions discussed in a previous meeting but requiring additional information may be subsequently confirmed by e-mail vote. Minutes of all Committee meetings will be recorded under the responsibility and approval of the Chair by the Committee Secretary. The secretary keeps a record of all approved minutes and related documents. Meetings shall

generally be held each quarter but shall be held not less than once each year. Committee performance relative to assigned duties should be assessed on an annual basis by the FIC and reported to the BoD. Annually a schedule of activities for the year will be established. In the annual meeting cycle it is foreseen that the representative of the external auditor and the investment manager will be invited to a meeting at least twice a year. Additional meetings may be held as warranted.

## **6. Operational Governance**

The first version of the draft minutes is directly sent to the Treasurer within 6 working days after the FIC meeting. The final draft will be sent under the responsibility of the Treasurer to all FIC members within 3 weeks after the FIC meeting. The agenda of the FIC is made in a discussion between Treasurer and ED. The procedure is: 8 weeks before the meeting a proposal from the Treasurer is send to the ED; in the week after ED and Treasurer discuss the proposal and agree on an agenda. End responsible for the agenda is the Treasurer. At least 10 working days before the FIC meeting, the secretariat will send the agenda with documents to the members. In exceptional case, the financial information will be sending the weekend before the meeting. The FIC has two closed sessions with the auditors: the first with the ED to discuss the staff performance and data. A second meeting without the ED to discuss the secretariats role in the audit process.

## **Board of Directors Governance and Nominations Committee Terms of Reference (20 November 2018)**

### **1. Definitions and Interpretation**

In these Terms of reference, unless the context otherwise requires, words and expressions shall have the same meaning as ascribed in the Articles of Association. Without limiting the generality of the foregoing:

- a. "Association" means the International Water Association, a company registered in England and Wales;
- b. "Director" means a member of the Board of Directors of the Association; and
- c. References to one gender shall include the other gender.

### **2. Purpose and Authorities**

The purpose of the Committee is to

- a. Advise the Board on corporate governance matters for the Association, including its subsidiaries, committees, and other Association entities.
- b. Assist the President or the Board to ensure that appropriate individuals are selected for various Association entities.
- c. Define and oversee the processes for choosing the nominees and winners of the different awards of the association

The Committee does not act for the President or for the Board and its powers are advisory only. The Committee reports to the Board and receives instructions from the President or by resolution of the Board. The Committee has all the rights and privileges conferred on individual Board members concerning access to Association information and staff. Requests for assistance in accomplishing Committee responsibilities, including staff assistance and access to professional services, shall be directed to the President or Executive Director, as appropriate.

### **3. Duties**

- a. Periodically review the Constitution and By Laws to ensure they are compliant with applicable laws, meet best practice governance standards, and meet the practical requirements of the Association.
- b. Maintain an overview of Legislative changes and developments in governance practices and their potential application to the Association.
- c. Provide advice on any action that may be necessary or desirable as a result of the above requirements or changes.
- d. Provide advice and assistance to the Board on the formal corporate structure of Association group companies and the maintenance of effective and efficient operational interactions between these corporate entities.
- e. In furtherance of the duties, above, oversee or undertake documentary drafting or reviews, the undertaking of any studies or inquires or the obtaining of expert advice.
- f. Propose to the Board or the President (as required) appropriate individuals for appointment to the various Association entities. These entities shall include, but not be limited to, the Board, Subsidiary Boards and other Board Committees.

These individuals must provide the required competencies and perspectives for the position and to properly represent the interests of the Association. The Committee will also ensure that the process used for each selection is transparent and inclusive, given their respective objectives and constraints.

- g. Define and oversee the processes for choosing the nominees and winners of the different awards of the association and propose to the board those winners for formal endorsement.
- h. Undertake any tasks or matters that may be referred to the Committee by the Board.

In undertaking its duties, the Committee shall have regard to the unique characteristics of the Association as an international not-for-profit organization and, in particular, the need to implement governance approaches and frameworks that accommodate Directors, members, and other key stakeholders: (1) for whom English may not be their mother tongue, (2) whose cultural background and norms may require different forms of decision making or participation in Association governance, or (3) who may not have a detailed understanding of the legal and governance rules and structures of the United Kingdom or such other country of incorporation that may apply to Association subsidiaries.

#### **4. Membership**

Membership shall consist of a Vice President, Past President, President-Elect (when this position is filled), and at least two other members, who may be independent non-executive directors or who may be drawn from Association Membership. At least one member of the Committee should have legal or governance qualifications. Committee members will be nominated by the President and approved by the Board. The term of service shall be two years, corresponding to the period of service for the current Board. Members can serve multiple terms. A member of the staff shall serve as the Committee Secretary.

The President and Executive Director are ex-officio members.

#### **5. Committee Governance**

The Board will appoint one member of the Committee to act as Chair. Formal actions will generally occur during a duly constituted meeting, which requires that a quorum (a majority of Committee members) be present and that all Committee members have been notified that a meeting has been called and have been given due opportunity to participate. Only members of the Committee have the right to attend Committee meetings. However other individuals and external advisers may be invited to attend for all or part of any meeting as and when appropriate with a consultation voice in particular with the objective to increase the competence or the diversity of the Committee. Any member of the Board of Directors or Governing Assembly may attend the meeting with the agreement of the Chair. Meetings can be in person or by telephone conferencing. Actions discussed in a previous meeting but requiring additional information may be subsequently confirmed by e-mail vote. Minutes of all Committee meetings will be recorded by the staff under the responsibility of the Chair. The Committee shall meet at least twice a year, but more frequent meetings are possible depending on Association needs. Committee performance relative to

assigned duties should be assessed on an annual basis and a schedule of activities for the year established.

# **IWA Board of Directors Members and Engagement Committee Terms of Reference (20 November 2018)**

## **1. Definitions and Interpretation**

In these Terms of reference, unless the context otherwise requires, words and expressions shall have the same meaning as ascribed in the Articles of Association. Without limiting the generality of the foregoing:

- a. "Association" means the International Water Association, a company registered in England and Wales;
- b. "Director" means a member of the Board of Directors of the Association; and
- c. References to one gender shall include the other gender.

## **2. Purpose and Authorities**

The purpose of the Committee is to provide necessary policy oversight concerning the Association members, their expectations and their participation, follow the effectiveness of the recruitment process, discuss new schemes of membership, and the schemes of honours and awards. The Committee does not act for the President or for the Board and its powers are advisory only. The Committee reports to the Board and receives instructions from the President or by resolution of the Board. The Committee has all the rights and privileges conferred on individual Board members concerning access to Association information and staff. Requests for assistance in accomplishing Committee responsibilities, including staff assistance and access to professional services, shall be directed to the President or Executive Director, as appropriate.

## **3. Duties**

- a. Working with the Executive Director or its representative, develop and recommend to the Board the framework or broad policy for serving and engaging the Association members and participants in the activities of the Association in line with the mission of the association
- b. In determining such policy, take into account all factors which it deems necessary. The objective of such policy shall be to: (1) ensure that the policies of the Association foster the engagement of Association members and participants in a fashion that is consistent with the overall strategic objectives of the Association, (2) foster an environment that is attractive for enhanced engagement of Association members and participants in Association activities, and (3) encourage members and participants to contribute to the objectives of the Association.
- c. Periodically review the status of implementation of the member and participant framework and policy with the Executive Director to determine compliance and report the results to the Board.
- d. Analyse the formal feedback on the appreciation of the members on the service provide by IWA to its members.
- e. Be aware of and advise on any major changes in member and participant policies in particular with the different segments.

- f. Revise the schemes of honours and awards and their effectiveness and propose improvement measures where necessary.
- g. Review the ongoing appropriateness and relevance of the member and participant policies and make recommendations to the Board.
- h. Make recommendations to the Board, but the Committee is not mandated to make decisions on behalf of the Board.
- i. Other duties as assigned.

#### **4. Membership**

The Committee shall be made up of an officer (typically one of the Vice Presidents) and at least four additional members, at least half of whom are independent non-executive directors. The remaining members of the Committee may be drawn from former directors provided that they are independent and are not executives of the Association. Committee members will be nominated by the President and approved by the Board. The term of service shall be two years, corresponding to the period of service for the current Board. Members can serve multiple terms. A member of the staff shall serve as the Committee Secretary.

The President and Executive Director are ex-officio members.

#### **5. Committee Governance**

An officer shall serve as Chair. Formal actions will generally occur during a duly constituted meeting, which requires that a quorum (a simple majority of Committee members) be present and that all Committee members have been notified that a meeting has been called and have been given due opportunity to participate. Only members of the Committee have the right to attend Committee meetings. However other individuals and external advisers may be invited to attend for all or part of any meeting as and when appropriate with a consultation voice. Any member of the Board of Directors or Governing Assembly may attend the meeting with the agreement of the Chair. Meetings can be in person or by telephone conferencing. Actions discussed in a previous meeting but requiring additional information may be subsequently confirmed by e-mail vote. Minutes of all Committee meetings will be recorded under the responsibility of the Chair. The Committee shall meet at least twice a year, but more frequent meetings are possible depending on Association needs. Committee performance relative to assigned duties should be assessed on an annual basis and a schedule of activities for the year established.