

Owners' Representatives Group Charter

1. Scope

The duties, functions, roles and responsibilities of the Owners' Representatives Group (ORG) are primarily determined by TasWater's Constitution and this Charter.

Additionally, applicable provisions of *Corporations Act 2001*, the *Water and Sewerage Corporation Act 2012* (WSCA) and common law should be considered.

This Charter represents the ORG's policy in areas in which it has discretion.

2. Structure/Membership

Under the Constitution, the ORG comprises one representative from each member of the corporation.

Each member may appoint a deputy representative to fulfil the role of Representative in the absence of the usual Representative.

It is expected that only one Representative from each member attends ORG meetings. However, the Chief Representative may agree to the attendance of both the Representative and Deputy Representative at the same meeting if the circumstances are warranted.

Where more than one Representative from a member council attends, only one will be counted towards a quorum and only one will have the voting power of the respective council.

Each council is expected to advise TasWater of the appointment or removal of its Representative and/or Deputy Representative as soon as possible after the appointment or removal is made.

3. Duties and Responsibilities

Role of Owners' Representatives

Within the scope of the Constitution, the role of the collective ORG is to:

- Make and implement decisions on behalf of owner councils within the scope of the Constitution and this Charter
- Recruit, select and appoint directors to TasWater's Board, and set their terms, through the ORG's Board Selection Committee
- Approve a remuneration framework for the Board
- Adopt, amend or rescind the annual Corporate Plan or Shareholders' Letter of Expectations
- Adopt TasWater's annual report, appoint the auditor and declare dividends (based on the Board's recommendation)
- Vote on resolutions at general meetings
- Respond to the Board's requests for input into policy or procedural matters
- Provide formal liaison between member councils and the Board
- Monitor the performance of the Board against the approved Shareholders' Letter of Expectations and the Corporate Plan and
- Ensure member councils are kept informed about TasWater's performance and other relevant matters in a timely manner, and distribute formal performance.

Chief Representative and Deputy Chief Representative

Subject to the provisions of the Constitution, the ORG may appoint a Chief Representative and a Deputy Representative.

If such an appointment is made, the role of the Chief Representative includes:

- Sign the appointment letter and other relevant personnel correspondence for the Board Chairman
- Routine liaison and consultation with the Board Chairman on TasWater matters
- With the approval of the ORG, discuss matters regarding Board performance with the Board Chairman or all directors as appropriate
- Convening and chairing ORG meetings in accordance with the Constitution and this Charter
- Developing agenda and papers for meetings of the ORG in conjunction with the Board Chairman and executive support, and authorising minutes of meetings
- Facilitating ORG compliance with this Charter
- Liaison and consultation with chairs of sub-committees of the ORG as required
- Subject to the agreement of the ORG as required by the Constitution, formally represent all owners of the corporation when appropriate circumstances arise.

The role of the Deputy Chief Representative is to provide support to the Chief Representative as required, and to act as Chief Representative in the absence of the usual incumbent.

Committees

The ORG may form committees and establish the scope and authority of those committees so long as that authority does not exceed that of the ORG itself under the Constitution, the *Corporations Act*, WSCA or this Charter.

Any committees of the ORG will abide by the direction, scope and authority and reporting requirements specified by the ORG.

With the exception of the Board Selection Committee, the ORG may disband any committee it forms at its complete discretion.

Board Selection Committee

The ORG will establish and maintain a Selection Committee that complies with the relevant provisions in the Constitution, and approve a Charter for the operation of the Committee.

The Selection Committee will operate under the arrangements specified in both the Constitution and the Committee Charter approved by the ORG.

Corporate Governance Framework

The owners of the corporation expect the Board to maintain compliance with current version of the ASX Corporate Governance Principles and Recommendations.

The ORG, individual Representatives and committees of the ORG will assist the Board in this regard by abiding by TasWater's relevant governance policies and processes.

The role of the Board

Under the Constitution, the TasWater Board:

- Governs in accordance with the requirements of the WSCA and the Constitution to meet the principal objectives specified in the WSCA

- Is guided by the Shareholders' Letter of Expectations
- Provides entrepreneurial leadership of the corporation within a framework of prudent and effective controls which enable risks to be assessed and managed
- Sets TasWater's strategic aims, ensures that the necessary financial and human resources are in place for it to meet its objectives and reviews management performance
- Sets and monitors strategic requirements for effective financial reporting and risk management
- Sets TasWater's values and standards and ensures that its obligations to its shareholders and others are understood and met
- Manages the business of the corporation within the rules of the Constitution
- Appoints and removes the CEO and company secretary and
- Determines the extent of its powers, if any, that it delegates to any of its committees, management or any other person it considers appropriate.

A Statement of Matters Reserved to the Board is published on TasWater's website for public access.

Support to the Owners' Representatives Group

The ORG may engage secretariat and executive support to assist it to perform its functions.

By agreement between the ORG and the Board Chair, TasWater may supply appropriate resources to provide this support.

The Chief Representative and the Board Chair may agree to extend such support provided by TasWater to committees of the ORG.

4. Meetings

General meetings

Under common law, the *Corporations Act* and TasWater's Constitution, properly-convened meetings of owners have the power to bind (commit) the corporation *within the powers ascribed to owners acting in general meeting*.

Therefore, to be binding within such powers, meetings of the ORG must be convened in accordance with the corporation's constitution and the *Corporations Act*.

A summary of the basic requirements of a properly-convened meeting are:

- At least 21 days' notice of the meeting is given
- A general description of the intended business of the meeting
- A quorum of at least 50% of members (on numbers) is present
- Formal minutes of the meeting are kept
- The Chief Representative¹ or an alternative representative appointed by the meeting chairs the meeting and
- Voting at meetings complies with the Constitution.

Other meetings of Owners Representatives

The ORG may choose to convene other meetings at its discretion. All Owners' Representatives must be invited to attend such meetings.

While good meeting procedures are encouraged, the outcome of those meetings will not likely be binding on TasWater, or on all owners, until the matters are decided at a formally convened general meeting.

Quarterly briefings with Board Chair and CEO

The briefings arranged under the provisions of the Shareholders' Letter of Expectations are not intended to be a general meeting of members, particularly as the aim is to ensure all regions have the opportunity to have a conversation with key members of the management of the corporation.

Generally speaking, matters that Owners' Representatives wish to raise formally with all other Representatives and the Board Chairman should be advised to the Chief Representative for inclusion on the agenda for the next general meeting.

Forms of meetings

Owners' Representatives agree that general meetings or other informal meetings may be held with all Representatives present in the one location, linked together through technology or a combination of both, provided all relevant provisions in the Constitution are complied with.

Circulating Resolutions

Owners' Representatives may consider and vote on resolutions without the need to convene a meeting provided all relevant provisions of the Constitution are complied with.

Meeting Papers

On behalf of the ORG, TasWater will prepare and maintain an annual calendar that includes the major, scheduled, activities to be addressed by the ORG or its Committee(s) over the year. The calendar will be updated after each meeting.

The Chief Representative, together with the Board Chairman and any executive support, is responsible for the preparation of the meeting agenda and circulation of papers, whether in hard copy or electronically.

Meeting papers will be distributed to Representatives at least five days before the meeting date.

Meeting papers will be retained by TasWater in accordance with applicable retention and destruction requirements under the *Corporations Act*.

Minutes of Meetings

All decisions will be formally recorded in the minutes of the meeting.

Each paper tabled will include a resolution recommended by the author. Where a recommended resolution is not adopted, a brief summary of the reasons for the alternative course of action will be noted in the minutes.

Representatives who dissent are entitled to ask to have their decision noted in the minutes.

The secretary to the ORG will ensure minutes are prepared in draft form and provided to the meeting chair for review within a reasonable time.

Once the meeting chair has approved the minutes for distribution, they will be circulated to all Representatives and recorded in the Minutes Book.

Pages in the Minutes Book will be numbered sequentially and retained in perpetuity by the corporation.

Once the minutes have been adopted, they cannot be amended unless the requirements of the *Corporations Act* are followed.

5. Conflicts of Interest

If a Representative is aware of a conflict, or perceived conflict, regarding a matter that is to be considered by the ORG, or discussed with the ORG by the Chair of the Board, the Representative will declare that conflict or perceived conflict to the meeting. The declaration should be recorded in the minutes of the meeting.

The chair of the meeting will determine whether the Representative may remain in the meeting or should be excused from discussion and decision making on that matter.

6. General

Information Protocols

Non-operational matters

If a Representative wishes to request non-operational information from TasWater, the Representative should raise the matter directly with the Chief Representative and Board Chairman to determine whether the information can be readily provided.

If the information is not readily available, or would take significant time, or would unreasonably divert TasWater's resources, or is not an obligation specified in the Constitution or Shareholders' Letter of Expectations, the Board Chairman may decline the request.

The Representative may raise the matter with the ORG, and the Board Chairman will explain the inability to provide the information.

If the request is still declined, the Representative may consider applying under the *Right to Information Act 2009* (Tas).

Commercial in confidence information

The Board has the right to decline to provide information that is genuinely commercial-in-confidence, where the release of the information may impede current or future negotiations, breach bona fide confidentiality clauses or agreements, or release information that may otherwise harm the corporation.

Where any doubt exists, the Board Chairman will be guided by the provisions of the Constitution and *Right to Information Act 2009* (Tas).

Provision of information to all Representatives

Information provided in response to a request under this Charter will be provided to all Representatives.

Advice

The ORG may request advice from the Board on any matter relevant to the corporation's business or objectives.

The ORG may also request the Board to access competent, independent advice regarding TasWater matters, at TasWater's expense.

Such requests will be channelled through the Board Chairman and the advice provided to all Representatives.

The Board has the right to decline the provision of independent advice if it considers the request to be contrary to the interests of the corporation.

Reimbursement of expenses

Expenses incurred while fulfilling the role of Owners Representative or Deputy Representative should be referred to the respective member council for reimbursement in its normal manner.

7. Publication and Review of Charter

This Charter will be published on the Corporation's website.

The ORG will review this Charter at least three yearly or earlier if the need arises.

Approved by general meeting on 10 May 2018.

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Chief Representative