



The voice of corporate governance
in Luxembourg

ILA Committees & Working Groups Guidelines



ILA

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The role of the Committees and Working Groups is very important to ensure that ILA is able to focus on more – and broader - aspects of its mission. As a result, it is important that each group functions well and within the agreed ILA parameters.

1. COMMITTEE MISSION, PURPOSE, DELIVERABLES

Mission

Each Committee or Working Group should adopt a written mission statement. This should expand on, and be consistent with, the parameters specified by the ILA *Comité de Direction* for the creation of the group.

Objectives and goals

The objectives and goals of each Committee should be clearly and concisely set out in order to be clear which issues the Committee aims to address.

This could include, for example, questions that the Committee intends to answer, activities it aims to organize (such as the organization of Breakfast briefings, workshops or the production of certain documents or guides).

Committees should reflect on their mission, objectives and goals from time to time and make changes if deemed necessary.

A Committee's objectives and goals may, for example, also include elements such as potential outcomes and/or expected deliverables, key milestones, and a target timeline - all of which can, if necessary, be further refined by the Committee.

Committee deliverables

For all publications, such as brochures, survey results etc., the ILA Marketing Committee must be informed as early as possible and will provide a template for the document to be published. All publications will have to be submitted to the *Comité de Direction* for validation.

In case a Committee wishes to organize a training course, the ILA Education Committee must be provided with a draft program. Once the draft program is accepted, the training will be scheduled in the ILA calendar in coordination with the ILA Secretariat. In order to allow for an appropriate marketing of the new course, it should be published and promoted at least 10 weeks before the date of the course.

In case a Committee wishes to organize an event, which is not a training course, the date must be determined in coordination with the Secretariat, the subject and draft program of the event must be validated with the *Comité de Direction*. Where possible, the promotion should be launched at least 4 weeks before the date of the event to ensure sufficient attendance.

Annual report to the Comité de Direction and Board

Each year, each Committee shall prepare and submit a written summary report of its activities. The report shall be submitted each [January] and cover the prior calendar year. There is no need for a detailed and extensive report, a bullet form report can be sufficient, the purpose is for the *Comité de Direction* and Board of ILA to understand what the Committee has worked on over the past year.

Committees may also be invited to a meeting of the *Comité de Direction* or the Board to present either the annual or ad hoc reports in person, or to discuss their future plans.

Meeting minutes to be provided to the Secretariat and Comité de Direction

Meeting minutes shall be promptly shared with the Secretariat.

External Representation & Position taking

It is important that ILA ensures that external representation and formal taking of positions are consistent across all of ILA and have been formally taken as a ILA position.

Where a Committee or Working Group intends to publish papers, make public statements or take a position on a matter, they must first liaise and receive sign-off from the *Comité de Direction* prior to making that thought piece publicly available.

The same applies to meetings between ILA Committees/Committee Members (in their capacity as representing the ILA Committee/Working Group) and external bodies (regulators, partner organisations,) – such visits (including their agendas, presentations and/or formal positions taken) must be first provided to the *Comité de Direction* for pre-approval, and (unless specifically waived) a member of the *Comité de Direction* must be present at such meetings. In certain cases, it will be appropriate for the ILA Chair to also be present, so it is important that such meetings be pre-advised in sufficient time.

2. COMMITTEE FUNCTIONING

Meeting Frequency

Committees are expected to hold meetings at least three times per year.

Meetings should ideally be convened sufficiently far in advance to enable members to schedule their attendance. As the Director community is very busy with irregular scheduling of Board meetings and other commitments, many Committees find it useful to set a regular meeting schedule (e.g. first X-day of each (2nd month) or similar) in order that Committee members have these blocked in their diaries. This can also help Committee members with assessing their availability for Committee meetings.

Meeting Format

Each Committee may choose the venue and schedule for its meetings.

Committee Members should make reasonable efforts to attend in person. Where this is not possible, it is at the discretion of the Chair whether to provide for dial-in or similar possibilities.

Committee Support

Committee meetings should be convened with agendas of the topics to be discussed together with any relevant supporting documentation.

Minutes or notes should be prepared promptly summarizing the key points decided on and action points to be followed up together with deadlines for implementation. Initial drafts of minutes/notes should in principle be circulated within one week of each meeting.

Committees are allocated with a ILA support person and a member of the *Comité de Direction*. In some cases, a logistical and administrative support may be provided by the Corporate Resource (corporate sponsor) of the Committee.

Committees should maintain key records - minutes of previous Committee meetings, background on recent Committee activities, information about key people with whom the Committee interacts, etc.

Sustainability

ILA promotes a green agenda for Boards, and for itself. To the extent possible, ILA encourages dematerialised Committee materials and other efforts to reduce environmental impact and waste.

3. COMMITTEE MEMBER RESPONSIBILITIES

Active participation

Committees are expected to actively participate in the work of ILA.

Committee members are expected to provide thoughtful input to Committee deliberations and focus on the best interests of the association and Committee goals.

Committee Member undertaking

By agreeing to join an ILA Committee, each member commits to comply with such rules of procedure issued by the ILA Board, *Comité de Direction* or their Committee, and with the decisions taken by the Board or *Comité de Direction*.

In all cases, by joining a Committee, each member commits to making best efforts to:

- Review all relevant material before Committee meetings
- Attend, and arrive on time to, Committee meetings
- Participate actively and constructively, and voice objective opinions on issues
- Be polite and understanding, reliable and honest

- Pay attention to governance trends and other ILA activities that affect or are affected by the Committee's work
- Work as part of the Committee to ensure that the Committee's work is in line with ILA's mission and goals
- Maintain confidentiality
- Maintain independence from commercial and other interests
- Respect intellectual property rights and not plagiarise
- Complete work for the Committee within the agreed timeframe and inform the Chair proactively in case of delay
- Confirm they understand that Committee work is communal and carried out on behalf of the Committee and ILA. Whilst Committee members may be attributed in such work, it will be published as ILA material and rights to Committee output shall be owned by ILA (unless express agreement to the contrary, for example to respect pre-existing rights of materials incorporated into such Committee materials).

4. COMMITTEE COMPOSITION AND MEMBERSHIP

Committees shall each have a Chair, a Vice-Chair, and various Committee Members. Committees may also have a corporate support function (Corporate Resource).

To ensure diverse perspectives of ILA missions and membership are represented, Committees should be thoughtfully composed and periodically refreshed.

** for the Company Secretarial and Governance Officer Committee, references to Directors (such as minimum numbers of Directors) should be read as referring to Company Secretaries or other Governance professionals.*

4.1. Members

Chair

Chairs of ILA Committees and Working Groups (whether permanent or ad hoc) shall be appointed by the *Comité de Direction*.

Recommendations for Committee Chair shall be made after thoughtful consideration of volunteers and other sources.

If a Chair ceases to be able to carry out his or her functions, or ceases to be a ILA member, a new Chair shall be appointed, and the Vice Chair may serve as interim Chair.

Committee Chairs are expected to guide their committees in order for the Committee to achieve its mission. The success of a Committee often depends on the quality and commitment of the Chair's leadership. It is the Chair who sets the tone of Committee meetings and keeps Committee Members informed of progress.

The Committee belongs to the association: The Chair's primary role is as facilitator.

Chairs do not have additional decision-making authority, but are tasked with items such as:

- moving the Committee forward to develop its mission,
- facilitating meetings to ensure the agenda is covered, the meeting runs on time, and all attendees are given ample opportunity to participate,
- ensuring deadlines are met and the mission is developing consistently,
- communicating regularly with ILA staff, the *Comité de Direction* and other ILA committees and working groups.
- representing the Committee within ILA, as necessary, including at sessions of the *Comité de Direction* or as otherwise required. It must be noted that the Board and the *Comité de Direction* represent ILA externally, any other external representation must be co-ordinated via the *Comité de Direction* or the ILA Chair).

Vice-Chair

Committees (in conjunction with consultation with the *Comité de Direction*) should choose from amongst their members a Vice Chair.

The role of the Vice Chair is to support the Chair and to ensure continuity of the Committee's workings in the absence of the Chair – for example by chairing meetings where the Chair is absent.

If the Vice-Chair ceases to be able to carry out his or her functions, or ceases to be a member, a new Vice-Chair shall be appointed for the remainder of the term.

Contact Person

In order to facilitate communication between the Committee and the ILA bodies, and to ensure adequate coordination and oversight of overall ILA activities, each Committee has a member of the *Comité de Direction*, Board or ILA staff allocated to it. This Contact Person does not have a permanent membership of the Committee and shall not remain on the Committee when a new ILA Contact Person is allocated to the Committee.

Committee Members

Committee Members serve in their personal capacity.

Committees should have a diverse range of members appropriate to the objectives and mission of the Committee.

Committee Members are expected to play an active role in their Committee by attending and participating in their Working Group(s) and be ambassadors to promote good corporate governance practices.

4.2. Committee shall be composed of ILA Members

In principle all Committee Members must be ILA members.

If a Committee Member ceases to be an ILA member, he or she shall be deemed to have resigned from the Committee with immediate effect.

Limited exceptions may be made in certain circumstances, in particular where ILA is seeking input and collaboration with industry organisations (e.g. ABBL, ALFI, ...). In such cases, a maximum of 30% of Committee Members may be non-members, and each exception must be pre-approved by the *Comité de Direction* following a motivated request with clear and objective reasons for the exception.

Exceptions shall only be valid for renewal for one-year periods (except where the exception relates to a participant representing another industry association, in which case the usual 3-year term shall apply).

Committees should be appropriately sized

To ensure effective functioning and sufficient diversity, Committees should have an appropriate number of members.

Ideally, each Committee will aim to have a minimum of 6 members and a maximum of 12 members.

Committees may choose their members.

Committees shall select and designate their own members.

This should occur following careful consideration of volunteers as well as other sources.

In order to ensure a diverse candidate base and Committee composition, “**Calls for Participation**” should be made via a ILA call for candidates (together with motivation letters and CVs). The Committee Chair (or other person designated for this purpose) shall screen and short-list candidates against the knowledge/expertise needed or desired and balance in skills/background/interest and submit the list of applicants to the Committee for its consideration.

Committees should benefit from diversity of thought and experience

When composing a Committee, or considering new members (and also when considering renewal of existing Committee Members) consideration should be given to ensuring a diverse mix of views by considering items such as balance of various factors (e.g. industry, gender, company size, service provider, corporate, individual NED, etc.)

Thought should be given to ensure sufficient Director membership in each Committee. Ideally a minimum of 1/4 of each Committee should be composed of ILA Certified Directors or other persons with significant Director experience.

ILA is a signatory of “**My Pledge**” – please also take note of this commitment in composing the Committee/Working Group, and in organising sub-groups and events.

Term limits

Committee Members serve renewable three-year terms. They may be renewed a maximum of 3 times *i.e.* serving for 12 years maximum.

Committee Chairs serve a maximum of 7 years as Chair.

Terms may be extended in exceptional circumstances following motivated application to the *Comité de Direction*, for a derogation. In the case of Chairs, such extension shall only be considered following an unsuccessful call for suitable candidates.

Committee evaluations and refresh

In the interests of good governance practices, Committees should carry out periodic evaluations of their functioning and membership, including periodically reflecting whether their mission statement requires updating. These should take place at least every three years.

Inability to attend Committee meetings

The Chair (or designated support) shall keep track of meeting participation.

Should a Committee Member regularly miss meetings, the Chair shall discuss the reasons for this with the Member. In any event, should a Member miss three consecutive meetings, or should a Member's attendance be below 60%, the Chair shall discuss the situation with the Member.

Unless a valid reason has been tendered, if a Member has not attended a Committee meeting for more than 9 months, he or she shall in principle be deemed to have resigned from the Committee.

5. COMPLAINTS, FEEDBACK AND ESCALATION

Any Committee Member who believes the ILA Code of Conduct or these Committee Guidance Rules are not being respected, that someone is not performing his/her role according to the criteria outlined, that his/her contributions are being systematically ignored or discounted, or who generally feels the need to discuss or report an issue with/within a Committee should first discuss the circumstances with the Committee Chair.

Should the Committee Member desire escalation, the Member may escalate to the Committee's Contact Person within ILA.

Following this, escalation should be made to the ILA Chair.

The ILA Chair, in consultation with the *Comité de Direction*, is empowered to restrict the participation of someone who disrupts the Committee and its activities. Where circumstances warrant, restrictions may be put in place with immediate effect.

6. TRANSITIONAL PROVISIONS

Where these guidelines impose time limits, these shall be deemed to have commenced as from 1 January 2019.

ILA Committee Guidelines		
Version	Date	Nature of revision(s)
1.1	[] September 2019	Initial version