

CONSTITUTION AND ETHICS COMMITTEE - TERMS OF REFERENCE

1. Purpose

The purpose of the Committee is to provide the Board with advice on the governance of IWFM and its subsidiaries, to review the Constitution and propose any amendments to the Board, and to ensure that there is a robust process in place for the handling of complaints against members.

2. General Regulation

- 2.1 The Committee will meet at least two times each year. At least one meeting must be face-to-face.
- 2.2 The quorum of the Committee/Group shall be three. In addition, a majority of those present must be Members of IWFM, Executive or staff (who can only be members of Extraordinary Committees) must be in a minority.
- 2.3. Any member not attending or not contributing for 3 consecutive meetings within a twenty-four-month period will be deemed to have resigned from the Committee, removal will be at the discretion of the Chair.
- 2.4 Other General Regulations are as stated in Section 5.0 of the Board Regulations – Board Committees and Advisory Groups.

3. Composition

- 3.1 The Committee will be up to a maximum of six members in accordance with the Bylaws and Articles and will be appointed by the Board, usually on the recommendations of the Chair of the Constitution and Ethics Committee
- 3.2 The Committee membership shall consist of:
 - One member of the Board
 - Four IWFM members (who may not be members of the Board)
 - One person who is not a member of IWFM (known as the independent lay member)
- 3.3 The Chair of the Committee, included in the above membership must be a member of the Institute and shall be appointed by the Board.
- 3.4 The Chair and Committee Members must demonstrate a degree of knowledge and understanding of Corporate and Institute Governance policies, processes, and procedures.

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- 3.5 Both the CEO (unless permission from the Chair is given to do otherwise) or their nominee will attend the Committee meetings. The Committee can require attendance by any officer or Board Member to assist in any matter under examination and may request any officer, Board Member, or the Board to take any appropriate action considered necessary.

4. Functions

- 4.1 To review as required, the constitution of IWFM, and those of any subsidiaries, Joint Ventures or Joint Ventures not entities (JANES*), including agreements and relevant contracts, and advise the Board of any recommended changes.

* A joint arrangement [JANE] does not have to be a separate entity, unlike a joint venture which must be an entity

- 4.2 To review as required the Membership discipline principles and practices and the IWFM Code of Professional Conduct, and to advise the Board on matters of professional ethics.
- 4.3 If a member appeals the decision of IWFM Assessors, as to the grade of membership awarded; a review that the processes & controls have been applied appropriately and fairly is to be undertaken [2nd Line of appeal].
- 4.4 To ensure that there is a robust and independent process in place for any matters needing a final appeal (within the governance of IWFM) and where earlier stages of the complaint have failed to resolve a matter to the satisfaction of the either or both parties, to be the Committee of final appeal. The Board may appoint additional Board members to the committee as necessary to hear any final appeal, but the Committee will decide the outcome.
- 4.5 Where the final appeal is regarding an assessment of membership for elevation to a higher grade, additional experts are to be recruited from other committees and expert pools to review the competence levels of the member against the professional standards, before a final decision is made.
- 4.6 To review as required, the Committee structure of IWFM and make recommendations to the Board.
- 4.7 To oversee the process and recommend to the Board; the recruitment, nomination, election procedures of both Non-Executive Directors and Co-Opted Non-Executive Directors.
- 4.8 To provide the Board with independent annual assurance that it is being governed in line with its constitution.
- 4.9 To deal with all matters referred to it by the Board or any constitutional or ethical issues raised by other Board Committees or Groups.

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5. Powers

- 5.1 The Committee shall have the power to act as the Committee of final appeal on matters of professional ethics.
- 5.2 The board also has the right to veto any decision and to rescind the delegation of any activity, or power, the group holds if necessary or prudent to do so.

In all other matters the role of the Committee shall be advisory unless a specific delegation of power is made by the Board.

6. Reporting

- 6.1 The Committee is accountable to the Board and operates as a committee of it.
- 6.2 The Committee will report to the Board through update reports to each formal Board meeting; and provide an Annual Report. The annual report provides self-assessment to assure the Board that robust and independent processes are in place and the general assurance that the IWFM is governed in line with its Articles & Bylaws, along with any suggestions for improvements it feels necessary.
- 6.3 The minutes of the Committee meetings shall be submitted to the Board.
- 6.4 The Chair of the Committee shall draw to the attention of the Board, any issues that require disclosure to the full Board, or require executive action.