



ZIMBABWE NATIONAL WATER AUTHORITY

BOARD CHARTER

1. Introduction

The Zimbabwe National Water Authority (hereinafter called “ZINWA” or “the Authority”) is an Authority established under Section 3 of the ***Zimbabwe National Water Authority Act [Chapter 20:25]*** (hereinafter called “the ZINWA Act”). Section 4 of the Act provides that the operations of the Authority shall be directed and controlled by a Board of Directors (“the Board”) constituted in terms of the Act. Consequently, the Board’s conduct, roles and responsibilities shall be guided by the Board Charter as outlined below to ensure that ZINWA is properly structured and effectively administered to execute and fulfil its mandate as stipulated by the Act. The Board, constituted by the Non-Executive Directors appointed in accordance with the ZINWA Act, has drawn up this Charter in terms of the provisions of the ***Public Entities Corporate Governance Act*** and the ***ZINWA Act***.

2. Purpose of the Board Charter

This Charter is intended to provide a concise overview of:

- a) The demarcation of roles, functions, responsibilities and powers of the Non-Executive Directors;
- b) Powers delegated to various Board Committees of the Authority and their Terms of Reference;
- c) Matters reserved for final decision-making or pre-approval by the Board;
- d) The policies and practices of the Board in respect of matters of corporate governance, declarations and conflicts of interest, Board meetings, induction, training and evaluation of Non-Executive Directors.

3. Responsibilities of the Board

- a) The Board shall appreciate ZINWA's core purpose, its operating environment, its strategy and business model as well as the laws, codes and standards applicable to ZINWA as key elements for value creation.
- b) The Board shall act as custodians of the Shareholder's interest and maintaining Shareholders value through the observance and implementation of sound corporate governance principles.
- c) The Board shall guide Management to formulate ZINWA's strategic plan and the Board shall approve the strategic plan.
- d) The Board shall establish key performance indicators to enable it to measure Management's performance and the progress of the Authority in attaining set goals, objectives, and targets as defined by the strategy achieved through efficient and economic use of resources.
- e) The Board will annually review the strategic plan of the Authority and a projected proposal for the ensuing financial year and recommend for approval by the Shareholder the annual budget. It will also monitor quarterly Management's performance against agreed performance measures and targets complemented by an appropriate reward system in order to attract and retain talent.
- f) The Board shall have an oversight role of risk management and regularly review and assess the effectiveness of the Authority's risk management policy.
- g) The Board shall ensure that the ZINWA brand is communicated as a responsible corporate citizen by taking account of the impact that business operations have on the environment and the society within which it operates.
- h) The Board shall oversee the Authority's values and ethics and shall ensure that a Code of Conduct governing the conduct of employees within the workplace is in place; the code of conduct shall encompass the Authority's interaction with both external and internal stakeholders and addresses key ethical risks of the organisation.
- i) The Board shall ensure that technology and systems used in the organization are adequate to run the Authority's business operations and achieving its strategic objectives.
- j) The Board shall ensure that the Authority complies with all relevant laws, regulations, codes, and frameworks in its day to day operations.

- k) As part of its oversight role, the Board shall remain alert to the viability of the organisation with regard to its solvency and liquidity and its status as a going concern and that the accounting and financial reporting systems are sound.
- l) The Board shall adopt a stakeholder inclusive approach that balances the needs and interests of material stakeholders in the best interests of the Authority.
- m) The Board shall ensure that the Authority has an effective internal control environment that ensures integrity of information used for internal decision making by Management.

4. Duties of Directors

- 4.1 Directors have legal duties of good faith, loyalty, care, skill and diligence in the discharge of their functions.
- 4.2 The duty of good faith and loyalty requires that Directors should honestly apply their minds and act in the best interests of the Authority at all times; ensure that there is no conflict between their interests and those of the Authority, and that they are loyal to the Authority and its business.
- 4.3 The duty of care requires that Directors should act as good stewards of the Authority's assets and apply their minds honestly in making decisions concerning the organisation as well as ensure that Management achieve the maximum sustainable long-term return on investment.
- 4.4 The duty of diligence requires that Directors should understand the information given to them and come to all meetings fully prepared and informed about the issues subject to discussion. In this regard Directors must study and understand issues prior to attending meetings.
- 4.5 Each Director shall ensure that he/she:-
 - (a) Has time and commitment to the Authority by attending a minimum of seventy-five per cent of Board and Board Committee meetings, Annual General Meetings and stakeholder meetings;
 - (b) Is knowledgeable about the Authority's financial, social and political environment in which the ZINWA operates; and
 - (c) is in a position to make informed and independent decisions.

5. ZINWA Board Appointments

The Board shall in terms of *Section 4 of the ZINWA Act* comprise the following:-

- (a) A Chairperson appointed by the Minister;
- (b) The Chief Executive Officer; and
- (c) Eight other Members of whom-
 - Four shall be appointed by the Minister for their ability and knowledge of the development and management of water resources, business or administration; and
 - Four shall be appointed by the Minister from a list of not less than five persons nominated by Catchment Councils.
- (d) Nine (9) Members of the Board must be Non-Executive Directors, one of whom shall be the Chairperson and the other shall be the Deputy Chairperson.

6. Chairperson

The Minister shall appoint one (1) Member as Chairperson of the Board and the Deputy Chairperson of the Board shall be elected by Members. The Chairperson of the Board or, in his absence, the Deputy Chairperson, shall preside at all meetings of the Board: provided that, if the Chairperson and Deputy Chairperson are both absent from any meeting of the Board, the members present may elect one of their number to preside at that Meeting as Chairperson.

7. Role of the Chairperson

The Chairperson shall have the following roles:-

- a) Be spokesperson of the Board and provide overall leadership to the Board without adversely affecting the collective responsibility of the Board and individual duties of its members;
- b) Formulate together with the CEO and Corporate Secretary the annual work plan of the Board on the basis of the agreed objectives and play an active part in setting the agenda of Board meetings;
- c) ensuring that all the Board members are fully involved and informed of any business issues on which a decision has to be taken or has been taken and that the Board receives information that is satisfactory to form sufficient basis for the Board's decision-making process;
- d) Ensuring the integrity and effectiveness of the Board and its Committees;

- e) Exercising independent judgment, acting objectively and ensuring that relevant matters are placed on the agenda and prioritised properly;
- f) availing him/herself to the Chief Executive Officer (CEO) between Board meetings to provide counsel and advice;
- g) ensuring that the performance of the CEO is appraised on an annual or other more frequent basis as the Authority's circumstances may demand;
- h) presiding at Board meetings and ensuring that the time devoted to the meetings is used productively;
- i) ensure that good relations are maintained with the Organisation's shareholder and major stakeholders and being receptive to shareholders' views and communicating them to members of the Board;
- j) ensuring that all the Board members fully understand the nature and extent of their responsibilities and duties through a tailor-made induction programme buttressed by a formal programme of continuing professional education; and
- k) ensuring that decisions made by the Board are executed timeously and effectively.

8. Role of Chief Executive Officer (CEO)

8.1 The CEO plays a critical and strategic role in the operations and success of the Authority's business and shall:-

- a) Be responsible for leading the implementation and execution of approved strategy and operational plans in order to achieve the Authority's financial and strategic objectives, and ensure that the day-to-day business affairs of the Authority are appropriately managed;
- b) Develop and recommend to the Board yearly budget that support the organisation's strategy and ensure that the short and long-term strategy and vision of the Authority is achieved in a sustainable manner;
- c) ensure that a positive and ethical work climate is maintained which is conducive to attracting, retaining and motivating employees at all levels in the Authority;
- d) foster a corporate culture that promotes sustainable ethical practices, encourages individual integrity and fulfils social responsibility objectives and imperatives;
- e) ensuring proper succession planning and performance appraisals of the Authority;
- f) serve as the Authority's chief representative;

- g) recommend to the Board for its approval an organizational structure appropriate to the achievement of the Authorities' strategies;
- h) ensure that appropriate policies are formulated and implemented to guide activities;
- i) disclose other professional commitments including membership of Boards outside the Authority. Time constraints and potential conflicts of interest should be considered and balanced against the opportunity for professional development.

9. Corporate Secretary/ Secretary to the Board

9.1 The Board shall appoint a competent and objective independent Corporate Secretary who thrives to achieve the realisation of good corporate governance principles.

9.2 The Corporate Secretary shall:-

- (a) ensure that Board procedures are followed and reviewed regularly and that applicable rules and regulations for the conduct of the affairs of the Board are complied with;
- (b) be responsible for proper compilation and timely circulation of Board packs;
- (c) keep a register of disclosures of interest with respect to each Director. Directors shall be required to give written notice of any changes with regards to disclosure particulars;
- (d) ensure that minutes of Board and Board Committee meetings are properly recorded and circulated to the directors in a timely manner, after the approval of the Chairperson of the Board or the relevant Board Committee Chairperson;
- (e) ensure that Board resolutions are implemented timely and effectively and that appropriate feedback on specific agenda items and matters arising from Board meetings are obtained;
- (f) assist the Chairpersons of the Board and Board Committees in developing an Annual Board Plan and other strategic issues of an administrative nature that affect the Board;
- (g) provide a central source of advice to the Board and within the Authority on matters of good corporate governance, law and any developments or changes thereto;
- (h) have a pivotal role to play in terms of Corporate Governance in the Authority, advice issues and guidance to Directors individually and collectively on their duties and responsibilities;
- (i) co-ordinate and organise the induction of new Directors, and together with the Chairperson of the Board, develop mechanisms for providing continuous education and training for Board members in order to improve and maintain the effectiveness of the Board; and
- (j) report to the Chief Executive Officer.

10. Board Evaluation

- 10.1 The Board led by the Chairperson or an independent service provider, will undertake a formal annual evaluation of its own performance, its Committees and individual Directors, and consider changes to improve the effectiveness of the Board and its Committees.
- 10.2 The Chairperson should ensure that Directors know that they will be subject to review, know the criteria used for evaluation, and know the procedures that will be followed. An evaluation questionnaire should be distributed in time for Directors to complete prior to evaluation meeting.
- 10.3 Should a deficiency in a Director's performance be identified, a plan should be developed and implemented for the Director to acquire the necessary skills or develop appropriate behavioural patterns.
- 10.4 Evaluation results should be reviewed by the full Board. The action plan arising out of the evaluation should be reported and discussed and a consolidated summary of the whole process should be reported to the full Board.

11. Director Development

- 11.1 The Board shall establish a formal orientation programme to familiarise incoming Directors with the Authority's operations, its business environment, and sustainability issues relevant to its business, and to acquaint them with their fiduciary duties and responsibilities.
- 11.2 The Chairperson should promote mentoring to enhance Directors' confidence (especially those new to the role) through a Board induction / Board orientation process. An appropriate induction programme should meet the specific needs of both the Authority and the individual and should enable any new Director to make the maximum contribution as quickly as possible.

12. Independent Advice

- 12.1 The Authority's Board can take independent professional advice on matters pertaining to their roles and responsibilities as Directors of ZINWA.

12.2 ZINWA shall pay the costs incurred by the Board in doing so, provided that before seeking independent advice, the Board discusses the requirement for the advice at a full Board meeting or in urgent cases, with the Chairperson and gets the Chairperson's approval.

13. Transaction of business of an urgent nature

If it is not practicable to hold a meeting of the Board for the transaction of business of an urgent nature, the Chairperson, after consulting such of the other members as are available in the circumstances, may deal with the issue himself and, as soon as practicable thereafter, shall give to the Board full particulars of the nature and extent of the urgent matter, the circumstances in which the urgency arose and the action taken by him.

14. Board Committees

14.1 In accordance with the *Public Entities Corporate Governance Act and ZINWA Act* and for the better exercise of its functions, the Board shall establish Committees vested with such powers (not exceeding its own) as the Board may determine, from time to time.

14.2 The Board Committees shall have formal Charters which define its roles and functions and Committee's scope and reporting procedures.

14.3 Committees shall be appropriately constituted, taking into account the objectives of the Authority. The composition of Board Committees should be disclosed in the integrated annual report.

14.4 Board Committees shall only comprise members of the Board. External parties, such as paid advisers, may be present at committee meetings by invitation.

15. Board Committees' composition guidelines

15.1 The Board Chairperson shall not be a member of the Audit and Risk Committee.

15.2 The Board Chairperson shall not Chair the Human Resources Committee but may be a member of the Committee.

15.3 The Board Committees should be chaired by an independent Non-Executive Director.

16. Vacation of office

16.1 A member shall vacate his/her office and his/her office shall become vacant from the date on which:-

- (a) the period for which s/he has been appointed expires; or
- (b) s/he gives notice to the Board of his or her intention to resign or after such period, not exceeding two months, from that date as s/he and the Board may agree upon; or
- (c) s/he is elected as a Member of Parliament; or
- (d) s/he ceases to be a citizen of Zimbabwe or to be ordinarily resident in Zimbabwe; or
- (e) s/he is convicted of any offence involving dishonesty or begins to serve a sentence of imprisonment imposed on him or her, whether in Zimbabwe or elsewhere; or
- (f) s/he is adjudged by a court of competent jurisdiction, to be mentally or physically incapable of performing his functions as a member; or
- (g) s/he becomes disqualified in terms of the ***Public Entities Corporate Governance Act or the ZINWA Act***; or
- (h) s/he has in terms of a law in force in any country been adjudged or otherwise declared insolvent or bankrupt and has not been rehabilitated or discharged or made an assignment to, or arrangement or composition with his/her creditors which has not been rescinded or set aside; or
- (i) s/he is required in terms of the ***Public Entities Corporate Governance Act or the ZINWA Act*** to vacate office.

17. Quorum

17.1 Five members of the Board shall form a quorum at any meeting of the Board.

17.2 The Board may meet without a quorum for ninety (90) days after the number of members appointed cease to constitute a quorum of the Board and such decisions will cease to have effect if not ratified by a meeting at which a quorum is present after the expiry of the ninety (90) days.

18. Meetings of the Board

18.1 As provided for in the **ZINWA Act**, the Board shall hold its first meeting on a date and place fixed by the Minister, and thereafter, shall meet for the dispatch of business and adjourn, close and otherwise regulate its meetings and procedure as it thinks fit.

18.2 The Board shall meet at least four (4) times in each financial year or as provided for in terms of the **Public Entities Corporate Governance Act**.

18.3 The Chairperson of the Board—

- (a) may convene a special meeting of the Board at any time; and
- (b) shall convene a special meeting of the Board on the written request of the Minister or not fewer than two members, which meeting shall be convened for a date not sooner than seven (7) days and not later than thirty (30) days after the Chairperson's receipt of the request.

18.4 Written notice of a special meeting convened shall be sent to each member not later than forty-eight (48) hours before the meeting and shall specify the business for which the meeting has been convened.

18.5 No business shall be discussed at a special meeting convened other than such business as may be determined by the Chairperson of the Board, where s/he convened the meeting or the business specified in the request for the meeting.

18.6 Anything authorized or required to be done by the Board may be decided by a majority vote at any meeting of the Board at which a quorum is present.

18.7 At all meetings of the Board each member present shall have one vote on any question before the Board and, in the event of an equality of votes, the person presiding at the meeting shall have a casting vote in addition to a deliberative vote.

18.8 The Chief Executive Officer shall not take part in the discussion of, and shall not vote on, any question before the Board which involves—

- (a) His tenure of office or conditions of service; or
- (b) advice which the Board is to give the Minister in regard to an appeal against a decision of the Chief Executive Officer as provided in Section 49 of the **ZINWA Act**.

18.9 Any proposal circulated among all members and agreed to in writing by a majority of them shall have the same effect as a resolution passed by a duly constituted meeting of the Board and shall be incorporated into the minutes of the next succeeding meeting of the Board.

18.10 Directors should ordinarily receive Board papers and related material not later than seven (7) working days prior to the relevant meeting. Minutes of the meetings of the Board of Directors

and resolutions of Directors must be prepared by the Secretary within two (two) weeks as required, approved by the Chairperson, and circulated to all members of the Board of Directors.

18.11 The Chief Executive Officer shall ensure that a copy of every resolution of the Board, signed by the Chairperson of the meeting, is sent to the line Minister and the Corporate Governance Unit without delay after it has been adopted.

18.12 At least once a year, the Board shall convene an annual general meeting in terms of Section 33 of the **Public Entities Corporate Governance Act** and invite the persons specified therein.

18.13 Board members may meet by other electronic means that permit them to communicate adequately with each other, provided that each director has equal access to the specific means of communication to be used.

18.14 A member of the Board may attend a meeting via interactive telephone, Internet, satellite audio, or video conferencing or any other technology that enables all participants to be clearly audible to one another.

18.15 Remote participation shall be allowed for the following reasons:

- (a) epidemic; or
- (b) emergency; or
- (c) geographic distance.

18.16 A member attending remotely must participate in the entire discussion item prior to voting on an issue and must state for the record that he or she is alone and cannot be overheard.

19. Conflict of interests

19.1 All Board Members and senior staff members shall abide by provisions section 34 of the **Public Entities Corporate Governance Act** which provides for conflict of interests.

19.2 A Member shall not allow direct or indirect professional relationships to affect in any way the conduct of his/her activities for the ZINWA. Where a Member of the Board of Directors, using his/her best judgement, comes to the conclusion that he/she may have a conflict of interest with regard to a decision taken by the Board of Directors, he/she shall immediately declare so to the Chairman of the Board of Directors.

19.3 Directors are obliged to disclose their direct or indirect interests in writing in:

- a) Any other company, partnership, trust or legal entity; or
- b) Any contract or proposed contract which is of significance to the operations of the Authority and which is entered into or to be entered into by any Director on behalf of another Company he/she has interest in.

19.4 Directors who have an interest in a transaction to which ZINWA is an actual or potential party are required to disclose their interest to the Board. This interest can arise from:-

- a) being the other party to the contract; or

- b) acting as a representative of the other party; or
- c) owning stock or serving as a director or officer of the other party; or
- d) being a financier of the other party or having close relatives who are any of the above.

20. Remuneration

The remuneration of Board members shall be determined in terms of the provisions of the ***Public Entities Corporate Governance Act***.

21. Confidentiality and inside information

21.1 A Member of the Board of Directors shall not divulge any confidential information or data received during the performance of his/her duties to persons or bodies outside ZINWA, other than persons assisting the Board in the discharge of duties as Board Members, provided that such persons are subject to an equivalent duty of confidentiality. He/she shall continue to be bound by this obligation after termination of his/her mandate.

21.2 A Member of the Board of Directors shall protect the integrity of the ZINWA's decision-making process. In particular, he/she shall refrain from disclosing what is said at Board of Directors' meetings to persons or bodies outside the ZINWA, other than the intended recipients of the information.

22. Acceptance of gifts and other advantages

22.1 A Board Member must not accept any gifts or hospitality which might, or might reasonably appear to, compromise his/her personal judgment or integrity or place him/her under an improper obligation. He/she must never canvass or seek gifts or hospitality.

22.2 He/she must comply with the rules set by the ZINWA on the acceptance of gifts and hospitality. He/she should inform the Board Chairman of any offer of gifts or hospitality and ensure that, where a gift or hospitality is accepted, this is recorded in line with ZINWA rules.

- 22.3 A Board Member is responsible for his/her own decisions on the acceptance of gifts or hospitality and for ensuring that any gifts or hospitality accepted can stand up to public scrutiny and do not bring ZINWA into disrepute.


23. Review

This Board Charter will be reviewed annually.

Dated at Harare this ^{20th} day of JANUARY 2023

Signature: 

Chairperson

Signature: 

Corporate Secretary