

TERMS OF REFERENCE (Approved 3/12/24)

CRUK/UKSFA Governance Working Group (GWG)

Introduction

This document defines the Terms of Reference (ToR) for the Governance Working Group.

Good governance is essential for effective representation accountability, balanced decision-making, legal compliance, risk management, attracting leadership, financial stewardship, long-term sustainability and minimizing conflicts.

By implementing good governance practices, trade associations can enhance their effectiveness, credibility, and ability to serve their members' interests.

Purpose and Objectives

The Governance Working Group (GWG) is established to enhance and modernize the governance practices of our Trade Association. Its primary objectives are:

- Review and recommend improvements to the Association's governance structure
- Develop and maintain best practices in board management and accountability
- Ensure transparency and effective communication with members
- Propose updates to the Association's constitution and bylaws as needed

Membership and Structure

- Lead: Cathie Clarke
- At least two members of the Board
- Membership & third-party stakeholders

It is expected that members serving on the GWG will have differing viewpoints on some subjects. However, members must always act in the best interests of the full membership, CRUK/UKSFA and the wider flooring industry when serving on this Working Group.

Responsibilities

The GWG shall:

- Conduct an annual review of the Association's governance framework
- Ensure membership of the Trade Association Forum to provide advice and guidance on all governance issues
- Propose improvements to board composition, structure, and accountability
- Review and recommend updates to other committee/group structures and terms of reference
- Propose mechanisms for enhancing member engagement and transparency

Competition Law Compliance

General Principles

- All participants must make independent business decisions and avoid any agreements or information exchanges that could restrict competition.
- Discussions should focus solely on legitimate business purposes and avoid competitively sensitive topics.
- If inappropriate topics arise, participants must object immediately, leave the meeting if necessary, and report the incident.

Prohibited Topics

The following topics must not be discussed:

- Prices, pricing strategies, or any factors affecting pricing
- Terms and conditions of sale
- Allocation of customers, markets, or territories
- Production levels or capacity
- Bids, tenders, or intentions to bid
- Confidential future plans related to products, technology, or marketing
- Any agreements to boycott suppliers or customers

Best Practices

- Prepare and distribute a written agenda in advance
- Begin meetings with a reminder of competition law compliance
- Keep accurate minutes of all formal meetings
- Consult legal counsel if there are any competition law concerns

Consequences of Non-Compliance

- Violations of UK competition laws can result in severe penalties for companies and individuals, including large fines and potential criminal charges. All participants are responsible for ensuring their own compliance.
- By participating in this meeting, you acknowledge your understanding of these guidelines and agree to abide by them. If you have any questions, please consult with legal counsel

Meetings and Reporting

- Initially, the GWG shall meet at least every six weeks, with additional meetings as needed to do a complete review of the Articles and By-Laws
- There will be a requirement for a review meeting on an annual basis
- Minutes and action items will be recorded and distributed within two weeks of each meeting
- The Lead will provide quarterly updates to the Board on the GWG's activities and recommendations

Decision-making and Delegation

- The GWG is advisory in nature and makes recommendations to the Board

- Decisions within the GWG will be made by consensus where possible, or by majority vote if necessary
- The Board shall review these Terms of Reference and the GWG's performance annually, making adjustments as necessary to ensure its continued effectiveness

Resources and Budget

Governance Working Group members are expected to commit at least 1 hour per week on average to project activities.

Any expenses related to GWG activities must be approved by the CRUK CEO.

Review and Amendment

These ToR will be reviewed as and when appropriate but at least every 12 months. The ToR may be amended by agreement of the Governance Working Group members and approval of the CRUK/UKSFA Board

Effective Date: 3rd December 2024
Approved by: Governance Working Group