



Rules Regarding the Governance of the ASA Following the Changes of the Statutes in December 2022

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The approval of the new Articles of Association on 6 December 2022 leads to a change in the governance of ASA in that:

- It creates a Supervisory Board (SB), with currently, five members (of which two appointed by the General Assembly);
- It creates an Operating Board (OB) with nine members appointed by the General Assembly for a period of 2 years. (01/01/2023 – 31/12/2024)

The two organs must elect a *primus inter pares*, a chairman or a leader, for the following reasons:

1. to avoid potential impasses at voting procedures (in order to avoid situations where Board members are divided into two camps);
2. to create a regular link, or a connection, between the Secretariat and the organ; and
3. to represent/embody the organ s/he chairs

However, in order to avoid any potential confusion of roles between the two chairmen, and between the two chairmen and the DG, the following shall apply:

1. The SB elects a “Chairman” who is *de facto* the Chairman of the Association;
2. The OB appoints a “Principal” with no other functions than internally to lead the debates at the OB;
3. The DG takes the lead of the OB discussions during its sessions, reports what has been decided by the SB, what has been done by the Secretariat, and ensures the OB can support in the best possible way the tasks of the DG and Secretariat as attributed by the SB.

On top of each organ’s role and functions, the question of the interaction amongst these organs must also be considered:

a) Supervisory Board (SB)

- According to Art. 4.3.1 of the New Statutes, the SB:
 - defines and reviews the annual goals, strategy, and overall performance of the association.
 - oversees the Operating Board and Director General and make recommendations and warnings to the General Assembly.
 - appoints the Director General.
 - approves the annual budget.
- In order to achieve this, the SB meets twice a year, or when called by the chairman or by at least 2 SB members.
- The first meeting takes place at the beginning of each calendar year (Q1) to give orientations and strategic objectives for the year to come.



- The second meeting of the year (ideally on the occasion of the ASA Leadership Forum at the end of Summer unless it is changed over time) is to assess the progresses made in terms of strategic implementation, make decisions when necessary (e.g. in case there are delays or difficulties), or consider new strategic courses should the situation require it.
- The SB reviews and assesses the recommendations prepared by the DG, and based on them makes decisions that binds the association via the OB and the Secretariat.
- Voting procedures will be avoided whenever feasible, but in case they are needed, a simple majority will suffice. In case of parity, the vote of the Chairman is determining.

b) Operating Board (OB)

- The OB is expected to meet four times a year, or at the request of the Principal or two OB members. As stated at Art. 5.3.1, its role is, amongst others, to “*conduct the affairs of the ASA*”.
- It takes an active part in formulating, together with the DG, the strategic recommendations that are presented to the SB.
- In order to make the most appropriate recommendations, the OB considers specifically 4 different sources:
 - First and foremost, the DG, but also
 - The Committee Chairmen
 - The Regional Chapter representatives, and
 - The General Assembly
- The OB hence meets early each year for a first meeting, and on the basis of the above reports, asks the DG to draft recommendations accordingly and bring it to the attention of the SB.
- The OB meets every trimester, making sure to keep the Association and the Secretariat on track with the SB strategic decisions.

c) Director General (DG)

- The DG is appointed by the SB
- The DG (and Secretariat) is the executive arm of the Association. Interpreting Art. 6 of the New Statutes, s/he:
 - Reports, and makes recommendations to the SB
 - Leads the discussions at OB level, and makes sure the OB and the Secretariat implement the decisions of the SB
 - Calls the Committees and makes sure they deliver
 - Represents the Association
- He sends a quarterly progress report to the SB regarding the activities of the Secretariat in line with the strategic priorities and any other matter worthy of note (the report immediately follows the OB meetings).
- He keeps the OB Principal informed of the conduct of the Secretariat, the work of the Committees, and other associative matters at least on a monthly basis, or whenever needed.



- He organizes conference calls between the Chairman, the Principal and himself every trimester (i.e. 4 times a year) immediately following the meeting of the OB or whenever appropriate.

The governance is therefore a mix of bottom-up and top-down chain of reporting and decision-making, whereby the General Assembly, the Director General, but also the Committees and the Regional Chapter representatives (whenever they are implemented) all give their input for the formulation, by the DG, of a set of recommendations, or recommended policies, to the SB. This will help the SB to get the ‘big picture’ and it will allow it to make educated decisions.

For the process to function properly, it is important that both Chairman and OB Principal keep a regular contact with the DG (as suggested above). Quarterly meetings involving the three will help prepare in the best possible way the SB meetings and ensure as smooth a preparation and discussion as possible.

Other key features of a good and efficient governance are 1) effective participation, and 2) liability, whereby:

- As much as possible, at least 2/3 of the SB and OB participants shall attend the respective³ meetings. Meetings with only half or less participants shall be avoided and/or postponed if at all possible.
- Any OB member having attended only 2 or less Board meetings in a year (from January to December), or having missed three OB meetings in a row, is invited to step down and not seek re-election by the GA during the following mandate.
- Even though the DG represents the Association vis-à-vis third parties and at events/meetings, there may be occasions where the combined presence of the Chairman and the DG is beneficial (e.g. meetings with political or industrial high-level profiles).
- The OB Principal must be available and schedule on average one day per month for matters related to the Association and be prepared to spend more time when/if needed. The OB Principal is the direct conduit between the DG and the OB, and is hence expected to have some flexibility regarding the occurrence of unscheduled events related to the Association (i.e. circa one hour per week).
- When the Secretariat calls for an SB or an OB meeting, an agenda and, when necessary or appropriate, a preparatory document is sent at least 48 hours in advance to the participants, leaving them enough time to review and comment both. Once the meeting starts, it is assumed the participants have gone through the agenda and the documentation and know the content. The agenda will, as much as possible, indicate what is expected from the participants per topic (e.g., decision, debate, or for information) and the amount of time expected to be spent.
- During meetings of the Board (SB or OB), the Chairman or Principal shall make sure only topics directly stemming from the agenda are raised. AOB matters may be brought forward by the participants during or before the session, but they must be approved by the Chairman/Principal and can only be discussed at the end of the session if time permits.
- Minutes of the Board are circulated as soon as possible to the participants. If one or more participants were absent during the Board, they may still comment the outcome of



a decision/debate provided they do so in a timely manner and within the period for comments allocated by the Secretariat (at least one week).

- Once the minutes of the Board are finalized, the DG and the OB are bound to implement the decisions of the SB. They shall only be held liable for the implementation of these decisions. If there are strategic/important topics necessitating the intervention of the Secretariat that have not been discussed/decided by the Board during one of its sessions, and if these topics are brought forward by one or several members of the Board, then the whole SB must be told of the matter and give its prior consent before the Secretariat tackles it.
- Committees should at least be attended by the companies that are represented at the SB (and as much as possible, by the OB as well). Chairmen are appointed by the Committees themselves, and they are invited to attend, twice a year, the meetings of the OB for a progress report. The same will apply to the Regional Chapter reps once they are appointed.



ANNEX A – ASA Authority Matrix

		Roles							
	Activity	SB	GA	OB	Chair	Principal	DG	Cmte Chairs	Members
Strategic	Define annual goals & strategy	A	C	R			R	I	I
	Review overall performance	A	C	R			R	R	I
	Amend Statutes according to needs	Aj	Aj	I			R		I
	Approve annual budget	Aj	Aj	C			R		
Developmental	Provide timely deliverables in line with priorities	I	I	Aj	C	C	Aj	R	I
	Assess Committee appropriateness and make necessary changes			A	C	R	R	C	
	Promote and represent ASA to third parties	I	I	C	C	C	R		
	Reach out to potential members	I	I	C	C	C	R		
	Set up ALF and other events as appropriate	C		C	Aj	Aj	R		I
	Issue press releases / React to announcements				A	I	R		



Administrative	Call Board and GA meetings, prepare agenda and documentation	Aj	Aj	Aj	C	C	R+A		I
	Manage Secretariat team			C			R+A		
	Define and collect KPIs from members			I			R+A		R
	Collect member fees		I	I			R+A		A
	Appoint new members		I	A	C	C	R		I
	Keep internal information flowing						R		I
	Maintain social media active and website active and up-to-speed						R		I
	Amend Internal Rules			A	C	C	R		I

Keys:

A = Accountable, **R** = Responsible, **C** = Consulted, **I** = Informed