



# Thames Water Utilities Limited

## Customer Service Committee Terms of Reference

June 2023

# Customer Service Committee

## Terms of Reference

These Terms of Reference set out the specific responsibilities delegated by the Board to the Customer Service Committee (the “Committee”) of Thames Water Utilities Limited (the “Company”) and detail the manner in which the Committee will operate.

### 1. Overview

- 1.1 The main objective of the Customer Service Committee is to advise the Board of the Company, as a provider of water and waste water services, of the needs and priorities of customers in order to ensure that high-quality, effective services are provided to the satisfaction of its customers, now and into the future. For the purposes of the Committee, customers are defined as all users of the Company’s services including retail, wholesale and developer customers as well as the wider community within which Thames Water operates

### 2. Membership

- 2.1. The Committee shall comprise at least three independent non-executive directors and up to two non-executive directors.
- 2.2. Members of the Committee shall be appointed by the Board, on recommendation of the Nomination Committee.
- 2.3. The Board shall appoint the Committee Chairman who must be an independent non-executive director. In the absence of the Committee Chairman and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.
- 2.4. The Committee may invite any persons (including the CEO, CFO and external advisers) to attend any meetings or parts of meetings.
- 2.5. Each member of the Committee shall be entitled to one vote.
- 2.6. The Chairman of the Committee shall not be entitled to a second or casting vote in the case of an equality of votes on any matter.

### 3. Secretary

- 3.1. The Company Secretary or their nominee shall act as the Secretary of the Committee.
- 3.2. The Secretary shall ensure that the Committee receives information and papers in a timely manner to enable full and proper consideration to be given to all such matters.

### 4. Quorum

- 4.1. The quorum for Committee meetings shall be two members, one of whom must be an independent non-executive director.

### 5. Meetings

- 5.1. The Committee shall meet at 2 times a year.

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- 5.2. Meetings of the Committee shall be convened by the Secretary of the Committee at the request of any of its members.
- 5.3. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed shall be forwarded in electronic form to each member of the Committee, and any other person required to attend, no later than five working days before the date of the meeting. Relevant supporting papers shall be sent to Committee members and other attendees at the same time.
- 5.4. The attendance of any non-Committee person at the meeting shall be at the invitation of the Committee Chairman.

## 6. Minutes of meetings

- 6.1. The secretary shall minute the proceedings and decisions of all committee meetings, including recording the names of those present and in attendance and the existence of any conflicts of interest.

Draft minutes of committee meetings shall be agreed with the Committee Chairman and then circulated to all members of the committee and, once agreed, to all members of the Board.

## 7. Annual General Meeting

- 7.1. The Chairman of the Committee shall attend the Annual General Meeting, in the event that such a meeting is held, and be prepared to respond to any shareholder questions on the Committee's activities

## 8. Duties

The main objectives of the Committee are to provide assurance, governance, support and challenge on delivering better outcomes for customers, customer engagement and communications, encompassing but not limited to the following areas:

- 8.1.1. reviewing the development of the customer strategy reflecting the challenges faced by the Company now and in the future;
- 8.1.2. understanding the future ambitions of the Company and the drivers for change, including culture;
- 8.1.3. review and analysis of the potential options to achieving the Company goals; and
- 8.1.4. advising the Board on key issues, proposals for improvements and new initiatives.

### 8.2. Performance

- 8.2.1. Reviewing the current Company position and performance against regulatory commitments, industry comparators and external best practice in other companies;

### 8.3. Customer Consultation and Engagement

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Review and advise on the various communications routes with customers including:

- 8.3.1. future plans for formal representation via the Consumer Council for Water;
- 8.3.2. communication channels and contacts routes;
- 8.3.3. the nature and content of subject areas and messaging;
- 8.3.4. consultation processes on strategic projects, initiatives and any regulatory undertakings; and
- 8.3.5. overseeing customer engagement on the price review process.

## 9. Reporting

- 9.1. The Committee shall report, through the Committee Chairman, on its activities and how it has discharged its responsibilities to the Board after each committee meeting.
- 9.2. As the communication route for the Company's Customer Challenge Group ("CCG") to the Board, the Committee will keep the Board briefed on all relevant matters arising from the CCG.
- 9.3. The Committee shall produce a report to be included in the Company's Annual Report on its activities.

## 10. Authority and legal advice

The Committee is authorised to:

- 10.1. Have access to sufficient resources in order to carry out its duties, including access to the company secretariat for advice and assistance as required.
- 10.2. Obtain, at the company's expense, independent legal, accounting or other professional advice on any matter if it believes it necessary to do so.
- 10.3. Undertake any other duties as requested by the Board from time to time and to investigate any activities it deems necessary to carry out its duties and to seek information from any employee.
- 10.4. Give due consideration to all relevant laws and regulations, the provisions of the UK Corporate Governance Code and the requirements of any other applicable rules, as appropriate.

## 11. Terms of reference and performance

The Committee is authorised to:

- 11.1. At least annually, review its constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.
- 11.2. Ensure that a periodic evaluation of the committee's performance is carried out.

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11.3. Be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.

### Version control

Version	Date Approved	Comments
1.0	June 2019	Approved by TWUL board
2.0	March 2022	Approved by TWUL board (formatted onto new template. Minor amendments).
3.0	June 2023	Approved by TWUL board.

