

# Asset and Investment Committee Charter

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## Purpose

1. The purpose of this Board established Committee (**Committee**) is to assist the Board in fulfilling its responsibilities regarding investments in assets and operating programs and non-core business, the Asset Management System and the Dam Safety Management System
2. The Committee will advise the Board on the alignment of our investments with our strategies (including our Environment, Social and Governance Strategy (**ESG**)) and regulatory obligations (including in relation to asset and dam safety) and will oversee WaterNSW investment governance frameworks and the delivery of our investment programs.
3. The purpose of this charter (**Charter**) is to outline the role of this Committee and how it will undertake its activities.

## Role of the Committee

### Business Plan and Pricing Proposal's

4. The Committee will oversee short and longer terms capital and operating expenditure proposals that form annual business plans and IPART pricing proposals.
5. The Committee will consider proposed changes, including the reallocation of funds, to Board approved annual business plan budgets and forecasts.

### Asset Capability

6. The Committee will review Asset Performance and Health through periodic reports and recommend to the Board strategies and plans to optimise the capability and availability of WaterNSW's assets.
7. The Committee will review and bring to the attention of the Board any significant asset capability or availability risks and provide updates on the strategies to address these risks.
8. The Committee will review and recommend to the Board for its approval, or otherwise, programs (operating and capital), initiatives and business cases designed to optimise the capability and availability of significant WaterNSW assets. This will include a review of the annual Maintain Capability Program, recommending its approval or otherwise to the Board, and then monitoring the spend against this program.

## Asset Management

9. The Committee will review the adequacy of, and compliance with, the Asset Management System.

## Asset Security and Safety

10. The Committee will consider existing and potential threats to security and safety of significant infrastructure assets and recommend strategies to the Board on how to address existing and potential threats.

## Investment and Delivery

11. The Committee will periodically review the Capital Investment Strategy and assess its alignment to the Strategic Asset Management Plan. The Committee is to then recommend to the Board the approval, or otherwise, of the Capital Investment Strategy.
12. The Committee will annually review the Capital Investment Plan and assess its alignment to the Capital Investment Strategy. The Committee is to then recommend to the Board the approval, or otherwise, of the Capital Investment Plan.
13. The Committee may receive and consider proposals for the initiation, planning and delivery of major capital and operating expenditure projects and programs and recommend to the Board the approval, or otherwise, the related expenditure.
14. The Committee will receive capital and operating Performance Reports, and periodic reports on the Management's performance in delivering current capital and operating programs, including business system projects and projects funded by the NSW Government.
15. The Committee will review and assess the frameworks and key policies with respect to the planning and delivery of capital, operating and business system programs.
16. The Committee will periodically review and consider reports on key learnings from Management in planning and delivering capital, operating and business system programs.
17. The Committee will periodically review and consider reports on the developments in WaterNSW's capacity, capability and maturity in planning and delivering capital, operating and business system programs.

## Digital

18. The Committee will periodically review the Digital Strategic Roadmap. The Committee is to then recommend to the Board the approval, or otherwise, of the Digital Strategic Roadmap.

19. The Committee will annually review the Digital Investment Plan and assess its alignment to the Digital Strategic Roadmap. The Committee is to then recommend to the Board the approval or otherwise, of the Digital Investment Plan.
20. The Committee may receive and consider proposals for the initiation, planning and delivery of major business system projects and recommend to the Board the approval, or otherwise, of the project and related expenditure.

## Investment in Non-Core Business

21. The Committee will consider proposals with respect to non-core business investments and monitor WaterNSW's performance in achieving Board approved investments.

## Risk and Assurance

22. The Committee is to review and consider the adequacy of, and compliance with, the Asset Management System and the Dam Safety Management System, and any other related systems and frameworks – including receiving reports on the compliance of these systems and frameworks.
23. The Committee is to review internal and third party audit reports where there are significant findings relating to the responsibilities of the Committee. Where relevant, the Audit and Risk Committee will be advised of any important concerns raised by the Committee with regards to the audit findings.

## Committee Meetings and Processes

20. The processes and protocols applying to this Committee and the conduct of the Committee's business will be in accordance with the *Protocols for WaterNSW Board Committees*.

## Annual Review

21. The Committee will conduct a yearly review and evaluation process to assess its performance against the roles and responsibilities of this Charter.

## Committee Charter

22. This Charter was approved by the Board on 30 November 2022.