



ADVISORY GROUP

TERMS OF REFERENCE

Section 1. Establishment

1.1 The Alliance for Financial Inclusion (AFI) is the world's leading organization on financial inclusion policy and regulation. A member-owned network, AFI promotes and develops evidence-based policy solutions that help to improve the lives of the poor. Together, AFI members comprising more than 100 financial inclusion policymaking and regulatory institutions from over 90 countries are working to unlock the potential of the world's two billion unbanked through the power of financial inclusion.

1.2 According to Article 18.2 of the AFI Articles of Association, AFI may integrate external (non-AFI Member) perspective, expertise, and informal advice into the governance structure of AFI through the establishment of advisory councils. In April 2016, AFI Board of Directors ("the Board") unanimously approved the establishment of the AFI Advisory Group ("the Group") to seek and obtain strategic advice from external stakeholders.

Section 2: Objective and Purpose

The AFI Advisory Group provides strategic advice to the AFI Board and Management Unit in order to promote sustainable value to AFI members with the ultimate goal of achieving AFI's vision.

Section 3: Roles and Responsibilities

3.1 The Group shall provide strategic advisory support to the AFI Board and Management Unit in the following aspects:

- a) Positioning of AFI as the leading global policy network for supporting emerging and developing economies in practical financial inclusion policies;
- b) Reinforcing AFI's cooperative approach with different multilateral stakeholders for financial inclusion;
- c) Promoting the sustainability of AFI in delivering its mandate;
- d) Alignment of AFI's programs with prevailing trends and developments in global financial policies, regulations, technology, research, and innovation in financial services and inclusion; and
- e) Advice on AFI's key priorities for financial inclusion interventions based on potential impact on AFI members and contribution to the global financial inclusion agenda.

3.2 The Group shall report to the Board. The Group shall have no formal management and/or governance responsibilities at AFI. Notwithstanding, Group members may be invited to attend Board meeting as observers.

3.3 The Group may be assisted by resources from the AFI Management Unit, AFI Working Groups and additional consultancy support if deemed necessary. The Group may propose to the AFI Management Unit where additional resources are required in support of the Group's objectives.

Section 4. Membership

4.1 Composition

The Advisory Group shall comprise seven members who are identified from a range of relevant stakeholders including, but not exclusively, the following:

- a) Funding partners;
- b) Intellectual partners;
- c) Private sector partners;
- d) Distinguished individuals in global financial inclusion advocacy; and
- e) Academicians, researchers and subject matter experts in specific policy areas.

4.2 Eligibility

Individuals may be nominated by the Board to the AFI Advisory Group based on:

- a) Expertise on institution building aspects of global non-profit organizations;
- b) Experience in strategies and policies on financial inclusion;
- c) Research work in financial inclusion and related policy and regulatory areas; and
- d) Experience in innovative approaches and technologies for delivery of financial services.

4.3 Nomination

The AFI Board shall conduct the necessary due diligence and approve the qualified individuals as members of the Advisory Group.

4.4 Appointment and Term

An Advisory Group member is eligible to serve on the Advisory Group for a maximum of two consecutive terms (one term is two years). Thereafter, at least one full term shall pass before the individual is eligible to be appointed again to the Advisory Group.

4.5 Compensation

Advisory Group membership is not a paid position. Members may, however, receive reimbursement of reasonable costs incurred when required to attend Advisory Group or other meetings in person.

4.6 Resignation

An Advisory Group member may resign by sending written or electronic notice to the Chair of the Advisory Group (or to the Vice-Chair, in the case of the Chair), or by giving verbal notice at any Advisory Group meeting. A resignation shall take effect on the date specified

therein, although at least 30 days from the receipt of such notice is strongly encouraged to foster continuity.

4.7 Termination of membership

The Board may by written notice terminate the membership of an Advisory Group member where the services of the member are no longer required.

Section 5: Chair and Vice-Chair

5.1 The members of the Group shall elect a Chair and Vice-Chair by a simple majority vote.

5.2 The Group Chair shall be elected for a period of two (2) years.

5.3 The role and responsibilities of the Chair are as follows:

- a) Setting the agenda of each meeting;
- b) Facilitate discussion and preside over meetings;
- c) Report the work of the Group to the Chair of the Board of Directors; and
- d) Call for meetings of the Group, with the support of the Secretariat.

In the absence of the Chair, the Vice-Chair shall assume the role and responsibilities of the Chair.

5.4 The re-election of the Chair and Vice-Chair shall be agreed by members of the Group through a simple majority vote.

Section 6. Meetings and Interactions

6.1 Meetings of the Advisory Group shall be coordinated by the Secretariat from AFI Management Unit and held at least twice a year, one of which shall be in person and the others via videoconference and/or conference calls. The Advisory Group may permit other persons to attend these meetings as may be required in carrying out its duties.

6.2 A meeting requiring attendance in person shall be called by written notice no less than 45 days before the meeting date. Other meetings may be called with shorter notice. The date, time, and place (if any) of such meetings will be determined by the AFI Management Unit in consultation with the members of the Advisory Group.

6.3 The agenda of the meeting will be determined upon consultation with the members of the Group and at the direction of the Chair. The Secretariat will seek input from members of the Group before the date of the meeting, to determine the meeting agenda. The final agenda and related documentation shall be circulated at least two weeks before the date of the meeting.

6.4 The Group shall receive periodic reports from the AFI Management Unit to support its activities. The Advisory Group shall have access to AFI's annual report, corporate plan

and any other reports as may be relevant for the Advisory Group to carry out its roles and responsibilities effectively.

6.5 The Group will report progress to the Chair of the AFI Board of Directors at least two (2) weeks after each Advisory Group meeting.

6.6 All meetings of the Advisory Group shall be recorded in writing and minutes of the meeting shall be distributed to all members. The minutes of the meeting shall be approved by the Advisory Group members at the following meeting and retained in the permanent records of AFI.

Section 7. Secretariat

7.1 AFI Management Unit shall provide secretariat services to the Advisory Group. In addition, AFI Management Unit shall designate a liaison person to facilitate the liaison between the Advisory Group and AFI Management Unit.

7.2 The Secretariat shall communicate with Group members via email correspondences, or any other means of communication such as telephone calls to facilitate its work. The Secretariat shall maintain relevant contact details of each member and alternate member of the Group.