

TERMS OF REFERENCE – BOARD

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1. Introduction

- 1.1. Founded by Kering and Cartier, the Watch and Jewellery Initiative 2030 (“**WJI 2030**”) is a Swiss non-profit association guided by the Ten Principles of the United Nations Global Compact and the 17 Sustainable Development Goals (“**SDGs**”). WJI 2030 has set ambitious goals to accelerate positive impact in three areas: building climate resilience, preserving resources, and fostering inclusiveness, through the collective effort of Maisons, their suppliers and business partners and in collaboration with key stakeholders.
- 1.2. WJI 2030 will pursue its goals in accordance with its Statutes, Code of Conduct, Anti-trust Policy and with any other policy it may develop and adopt from time to time.
- 1.3. The terms of reference (“**ToR**”) set herein supplement the Statutes of WJI 2030, to which each of the Board members agrees when accepting their appointment, in relation to the operation of WJI 2030.
- 1.4. If any provision in these ToR is inconsistent with the Statutes of WJI 2030, the Statutes shall prevail.

2. Role, objectives and powers

A. Role of the Board

- 2.1. As per Article 15 of the Statutes, the Board is the executive body of WJI 2030. It has the right and the duty to manage the affairs of the Association and to represent it in accordance with the Statutes. The Board shall take all necessary measures to achieve the purposes of WJI 2030.

2.2. As such, a primary responsibility of the Board is to foster the long-term success of WJI 2030, take all necessary measures to achieve its purpose and advance its mission.

2.3. WJI 2030's Board :

- proactively governs WJI 2030, acting in its best interests;
- provides strategic direction to the organisation, including approving and monitoring strategic plans; and
- ensures that WJI 2030 operates according to its Statutes, in compliance with applicable laws.

B. Objectives of the Board

2.4. The Board will agree objectives annually and will regularly review its progress in meeting and delivering the objectives.

2.5. It will also regularly review these Terms of Reference, to ensure it is operating at maximum effectiveness, and recommend any changes it considers necessary.

C. Powers of the Board / Reserved Matters

2.6. In line with Article 15 of the Statutes, the specific powers of the Board are, in particular, the following:

- attend to the general administration of WJI 2030;
- determine WJI 2030's internal organisation;
- define and decide from time to time the eligibility criteria and minimum commitments to be fulfilled in order to become and to continue to be Members of WJI 2030;
- ensure proper budgeting and that WJI 2030's activities and projects are properly financed, by setting the membership fees and other member contributions, by securing donations, contributions, or by other means of financing (including loans, if necessary);
- ensure that the accounts of WJI 2030 are properly held and approve the annual financial statements;
- designate persons authorised to act on behalf of WJI 2030 toward third parties and set the means of representation and appoint the General Secretary and/or the Executive Director and other senior executives (Art. 22 of the Statutes);

- enter into any agreement necessary for the purposes of WJI 2030 (including banking contracts, potential loan agreements, as well as service agreements whenever required);
- suspend Board members and/or members of WJI 2030 (for example and not limitedly in case of behaviour or activities which may damage the reputation of WJI 2030 or jeopardise its ability to fulfil its purposes); and
- convene General Assemblies and implement the decisions of such assemblies.

3. Delegation

A. Delegation

- 3.1. As per Article 19 of the Statutes, to assist in the discharge of its role, the Board is entitled to delegate certain of its tasks to one or more of the Board members, to employees, to third parties or to sub-Committees of the Board.
- 3.2. The Committees have the authority to examine specific issues within their respective terms of reference as approved by the Board and report to the Board with their recommendations.
- 3.3. All deliberations and decisions taken by the Committees are documented and approved by the respective Chairperson(s) of the Committees. The report and recommendations of the Board Committees are included as agenda items for deliberation at the meetings of the Board. The ultimate responsibility for decision making, however, lies with the Board.

B. Matters delegated by the Board to the Executive Director

- 3.4. As per Article 23 of the Statutes, subject to the matters reserved for the Board, the Board delegates, while maintaining oversight, the following to the Executive Director:
 - Preparation, development, and implementation of the Strategy approved by the Board;
 - Monitoring and maintaining operating and financial performance against approved budget;
 - Prioritisation and allocation of resources;
 - Authorisation to sign up to CHF 30'000.-;

- Authorisation to sign Human resources and operational contracts beyond CHF 30'000.- if pre-approved as per budget.

C. Matters delegated by the Board to the Bureau

- 3.5. As per Article 17 of the Statutes, the Board creates a Bureau, to allow for an efficient day-to-day functioning. The Bureau shall be composed of 3 to 5 Board members, amongst which (i) the Board members appointed by the Founding members, (ii) the Chairperson (or co-Chairpersons) and (iii) any other Board member deemed appropriate by the Board.
- 3.6. The Bureau:
- leads the day-to-day affairs of the Board,
 - elects the priorities to be addressed by the Board,
 - reviews all matters related to finance (Art 15.d and 15.e) as well as representation and appointment of the General Secretary/Executive Director and other senior executives Art 15.f), and
 - discusses and decides on urgent matters, for which it has the same powers as the Board. The Bureau informs the Board of any decision it takes.
- 3.7. Ordinary, non-urgent matters are deferred by the Bureau to the entire Board for decision.
- 3.8. The Board may further describe the role and responsibilities of the Bureau in Terms of references.

D. Representation

- 3.9. As per Article 19 of the Statutes, WJI 2030 is validly represented and bound by the collective signature of two Board members and/or any other officer or representative designated for this purpose by the Board by a power of attorney.

4. Board members' commitments

- 4.1. Each Board member shall:
- Commit to the mission and values of WJI 2030;
 - Act honestly, with integrity, fairness, constructively in the interests of WJI 2030;
 - Honour the Code of Conduct that applies to all Board members;

- Strictly respect board confidentiality, as per article 8.5. below;
- Not become involved in the management and operations of WJI 2030 other than through Board policy or direction. This means that if a Board member is concerned about any aspect of WJI 2030's operation, the matter is not raised directly with the Executive Director or other staff. It shall direct the concern to the (co-)Chair and request that he/she put the matter on the Board agenda or, if there is sufficient interest among Board members, convene a meeting to discuss the matter;
- Make a concerted effort to attend all Board meetings and to notify the (co-)Chair of his/her inability to attend any Board meeting;
- Act on his/her own behalf, in the interest of WJI 2030 and not as the representative of the interests of an organization or a special group or individuals over the best interests of WJI 2030;
- Exercise the care, diligence, skill and good judgment of a reasonably prudent professional; and
- Ensure compliance with relevant acts, regulations, WJI 2030's Statutes, Code of Conduct, Anti-trust Policy, Conflict of Interest Policy, and any other policies as may be enacted from time to time.

5. Board liability

- 5.1. Subject to Article 55 para. 3 CC, neither Board members nor any other body of WJI 2030 shall incur any personal liability for WJI 2030's commitments.

6. Composition of the Board

A. Appointment

- 6.1. WJI 2030 highly values diversity and supports the election and appointment of diverse candidates to the Board, including diversity of gender, race, and age, along with varied skills and experiences, which contributes to a balanced and effective Board.
- 6.2. As per Article 16 of the Statutes:
- The Board will be composed of up to 15 members. Following an objective application process lead by the current Board and Secretariat, the General Assembly will appoint the Board members on an annual basis for a 24-month mandate that can be renewed, being understood that at all times and as long

as they are Members of the Association, each Founding Member shall have the right to appoint by sole decision one representative at the Board.

- The Board is self-governed. For an initial term of 3 years, the Board shall appoint two co-Chairs among the Maison Members. After this initial term, the Board will appoint the the Chair or two co-Chairs and may appoint a treasurer (if deemed necessary) among its Maison Members. It may appoint a secretary who does not need be a member of the Board.
- At least one member of the Board with signatory powers must be a Swiss citizen or a citizen of a member State of the EU and have his/her domicile in Switzerland.

B. Eligibility criteria

- 6.3. Candidates should be CEOs (or equivalent) of a WJI 2030 Member, or Executive Director / Senior Executive (or equivalent) of a multistakeholder organization, including civil society organisations, that have a clear passion for advancing and empowering the field of sustainability and impact, and are eager to put their passion and expertise to work with like-minded individuals.
- 6.4. The ideal candidates should possess some or all of the following professional skills and/or experiences:
 - Strategic or visionary thinkers with proven leadership capabilities;
 - Proven track record of the necessary expertise, in line with WJI 2030's goals and mission;
 - History of sustainability engagement;
 - Capacity to cultivate relationships with multiple and diverse stakeholders;
 - Ability to regularly participate in Board meetings and fulfil an outlined role during term;
 - Commitment to diversity and inclusive leadership; and
 - High integrity.

C. Process for appointment

- 6.5. The Board will extend an invitation to apply for a Board position. Any person invited and meeting the defined eligibility criteria as per Articles 6.3. and 6.4. above, may submit an application to become a Board member.
- 6.6. The nominee must fill in the candidate questionnaire and provide a copy of their Bio in support of their application.
- 6.7. The Board members will be appointed by the General Assembly, following an objective application process lead by the Board and Secretariat, which implies:

- An initial review of the candidates conducted by the Secretariat and the Board to ensure the candidates meet the objective eligibility criteria outlined above (Articles 6.3. and 6.4.).
- All applications meeting the eligibility criteria will be sent to the General Assembly for election/appointment.
- Should there be more candidates than seats available, the General Assembly will elect through a vote. The candidates with the most votes will receive a seat on the Board.

D. Term

- 6.8. According to Article 16 of the Articles of Association currently, Board members serve a 24-month mandate.
- 6.9. Elections for board members will happen as the term of a board member expires, following a staggered approach.
- 6.10. Board members are eligible for re-election at the end of their term.

E. Removal and resignation of Board members

- 6.11. As per Article 18 of the Statutes,
- Board members may be removed by the General Assembly for any cause and at any time;
 - Board members may resign at any time by submitting a written declaration to the (co-)Chair, specifying when the resignation shall take effect;
 - In the event of dismissal or resignation during the term of office, the Board may appoint a replacement member by co-optation and following the same principles stated in Article 16 of the Statutes, until the next meeting of the General Assembly.

F. Pro-bono

- 6.12. As per Article 15 of the Statutes, Board members shall act on a pro-bono basis, with the exception of reimbursement of their effective and reasonable costs and travel expenses. For activities that exceed the usual scope of the function, each Board member may receive an appropriate compensation.
- 6.13. Paid employees of WJI 2030 may only sit on the Board in an advisory capacity.

7. Board meetings

A. Frequency & Notice

7.1. As per Article 20 of the Statutes:

- The Board shall meet as often as required, but at least twice a year;
- Meetings of the Board may be called at the request of at least 20 % of the Board members;
- Meetings can be held and decisions can be taken by conference call, visio conference and/or any other means decided by the Board (i.e., circular resolutions, by individual adhesion in writing- including electronically - etc.). In-person meetings can take place in Switzerland or abroad;
- The (co-)Chair of the Board shall convene Board meetings at least 15 days in advance;
- The (co-)Chair may convene the Board with 3 days' advance notice, where justified by urgent circumstances;
- The Board meeting agenda and papers in relation to the Board meeting shall be circulated at least 5 working days prior to the Board meeting.

B. Observers & Experts

7.2. At the Board's discretion and following notification to the Board members, technical experts or other observers who can help take forward the work of the Board may be invited to attend meetings or part of meetings as non-voting, participating observers.

7.3. All observers and experts attending a Board meeting shall be bound by confidentiality requirements and shall not be authorized to use any of the WJI 2030 documents outside the meeting without prior consent of the (co-)Chair.

C. Decision making

7.4. As per Article 21 of the Statutes, each Board member shall have one vote.

7.5. The adoption of all decisions shall require the majority of all votes expressed (including votes by proxy) and at least the 51% of the votes of the Board members representing the Maison Members (including votes proxy).

- 7.6. In case of a tie, the Board will revote and in case of tie, the (co-)Chair(s) shall have a casting vote.
- 7.7. Decisions may also validly be taken by written resolution, including by email or other electronic means. In such cases, calculation of majorities is done in the same way as for ordinary reunions of the Board

D. Documentation, Communication and Reporting

- 7.8. For each Board meeting, the Executive Director shall prepare a progress report including a report on expenditure and budget. The format of this report template shall be agreed between the (co-)Chair and the Executive Director.
- 7.9. The secretary of the Board meeting shall minute the proceedings, decisions of and agreed actions arising from all Board meetings, including the names of those present and in attendance. The (co-)Chair of the Board will appoint the Secretary for each Board meeting.
- 7.10. The Executive Director shall report to the Board at each Board meeting on matters within the Executive Director's responsibility delegated by the Board (including but not limited to reporting on– (i) strategic goals; (ii) operational excellence; (iii) financial performance; (iv) regulatory, compliance and legal commercial outcomes; and (v) any matter brought to him/her by one of the Board's Committees.
- 7.11. Draft minutes of the meeting shall be made available to the (co-)Chair for approval shortly after the meeting. Following approval, the draft minutes of the meeting shall be circulated promptly to all Board members and approved at the next Board meeting. If any Board member disagrees with the content of the minutes of the meeting, the concern must be communicated to all Board members by email. However, once circulated, minutes of the meeting may only be amended by consensus agreement at the next meeting of the Board.
- 7.12. Minutes of the Board are to be kept and filed by the Executive Director and held at the registered office of WJI 2030. Board members will receive a copy of the minutes of the Board meeting and access to relevant minutes of the Board Committees.

8. Conflicts of Interest, Anti-trust and Confidentiality

A. Conflicts of Interest of individual Board members

- 8.1. Members of the Board will be bound by the WJI 2030 Conflicts of Interest Policy prior to their appointment. Accordingly, all Board members are required to advise the (co-)Chair of any actual, potential or perceived Conflicts of Interest including those of a commercial and non-commercial nature. Board members shall sign annually a Conflicts of Interest declaration.

8.2. In any event or circumstance which is reasonably likely to be considered as an actual, potential or perceived Conflict of Interest with particular agenda items, Board members shall, after having advised the (co-)Chair in writing ahead of, or at the beginning of the meeting, absent themselves from the meeting room during consideration of the item, and they shall not vote on such item.

8.3. Such declarations and measures shall be recorded in the minutes of the meeting.

B. Competition/Anti-trust requirements

8.4. Board members shall adhere to WJI 2030 Anti-Trust Policy which shall be referenced at the beginning of each meeting by the (co-)Chair. All Board members shall sign the WJI 2030 Anti-Trust Policy.

C. Confidentiality

8.5. Board members, observers and experts shall maintain strict confidentiality regarding the business and affairs of WJI 2030. Board papers, Board minutes, emails, any WJI 2030 related documents and information gained in Board meetings shall be regarded as highly confidential.

Approved by the Board on : 24.03.2025

Entry into force : 24.03.2025