



## warfair Ethics Committee

### Terms of Reference

#### A. PURPOSE

warfair imports products from conflict-affected countries to the European market in cooperation with quality brands. We do it, because trade is the best tool to prevent the devastating impacts of war and conflict: poverty, unemployment, and radicalisation.

The Ethics Committee is a standing committee established by the Board of warfair to supervise and give advice on the ethical standards and performance of warfair and its partners.

To fulfil its mandate, the warfair Ethics Committee shall, before a partner and a product is approved and made available to consumers, receive and approve of a Due-Diligence report. The Ethics Committee shall have full access to all relevant information including annual reports, financial statements and transactions and have full access to all Complaints that are submitted through the warfair Complaints Mechanism.

The warfair Ethics Committee has both a right and an obligation to share the results of its deliberations at the warfair website.

#### B. MEMBERSHIP

##### 1. Size.

The membership of the Ethics Committee shall be composed of a maximum of 5 (five) members, including its Chair.

##### 2. Appointment of Members.

The initial members of the Ethics Committee are appointed by the warfair Board and shall be independent and experienced experts within issues related to ethics, anti-corruption, supply chain management, risk analysis and compliance.

##### 3. Membership Term.

Committee members shall serve a term of two years or until a successor has been appointed. The maximum period in which a member can serve is 6 years.

##### 4. Vacancies.

A vacancy in the Ethics Committee resulting from death, resignation, disqualification or other reason, shall be filled by the warfair Board upon nomination from the Ethics Committee itself based on consensus. Individuals selected or appointed to fill vacant positions shall hold such positions for the unexpired term of their predecessor.

##### 5. Assessment.

Each Ethics Committee member shall remain engaged and diligent in the performance of his/her responsibilities. Accordingly, each individual serving in such a role can be subject to an assessment by the Ethics Committee Chair. If such an assessment determine that the individual has not fulfilled

his/her responsibilities, including, without limitation, failing to attend meetings and participate in discussions, the Ethics Committee Chair may request the Ethics Committee to terminate and replace the member based on a two-thirds majority.

#### C. ROLES AND RESPONSIBILITIES

The Ethics Committee has the following roles and responsibilities:

- a) recommend which ethical policies, principles and standards warfair shall commit to and apply by. The list of approved ethical policies, principles and standards shall be shared at the warfair website. If a recommendation is rejected by the warfair Board then it shall also be publicly shared at the warfair website;
- b) oversee the administration and implementation of the ethical policies, principles and standards to which warfair has committed;
- c) discuss and recommend for approval or revision the due-diligence reports prepared for each partner and product. The Ethics Committee produces a brief, written conclusion that is published on the website along with the due-diligence reports.;
- d) receive and address any complaints over the ethical performance of warfair, its partners and its personnel and give its recommendations to the warfair Board and if needed to the broader public. Complaints are handled according to the principles for complaints handling as set out in the Core Humanitarian Standard;
- e) any other responsibility or task it may feel relevant and necessary to maintain the highest ethical standards for warfair.

#### D. MEETINGS

1. Frequency. The Ethics Committee may meet as needed to fulfil its responsibilities but at the minimum four times a year.
2. Modes. Ethics Committee meetings shall generally be held by video-conference. At the discretion of the Ethics Committee Chair, they may be held face-to-face, or by any other electronic communication medium that allows a committee member to follow and contribute to meeting discussions as they occur in real time. The Ethics Committee Chair shall decide on the medium used for each meeting.
3. Notice. Notice of Ethics Committee meetings shall be provided, upon approval by the Ethics Committee, at least seven calendar days prior to the start of the meeting.
4. Quorum. The Ethics Committee may conduct business only when its Chair and a majority of committee members are present.
5. Secretariat Attendance. The Director and relevant staff/volunteers shall attend meetings of the Ethics Committee, unless the Ethics Committee Chair decides otherwise. Attendance by other staff members shall be decided by the Director, in consultation with Ethics Committee Chair.
6. Delivery of Meeting Materials. The Secretariat shall distribute meeting materials to ensure receipt by committee members at least one week in advance of the start of the meeting.
7. Minutes. The Minutes of each meeting shall be forwarded to the Committee Members for approval within a week and with a four day deadline for comments. The minutes shall be available on the website within two weeks.

#### E. DECISION-MAKING

The Ethics Committee Chair shall use best efforts to ensure that the committee reaches all decisions by consensus. If the Ethics Committee Chair believes there is a clear consensus, he or she shall restate the decision/recommendation and declare that the committee has reached consensus. If the Ethics Committee Chair believes the debate is too close to reach a consensus, he or she may decide to defer the matter to a later date. The Ethics Committee Chair will use all practical efforts to achieve a consensus by encouraging amendments that meet the concerns of all sides of the debate. If a consensus cannot be reached a decision can be reached by majority and the opposing views shall be transparently shared in the minutes.

#### F. REPORTING

The minutes from each meeting of the Ethics Committee and an annual report from the Ethics Committee shall be shared on the website of warfair. In case of recommendations from the Ethics Committee both the minutes and the annual report shall include a management response.

#### G. APPLICATION OF ETHICS POLICY TO COMMITTEE MEMBERS

Ethics Committee members shall uphold the same ethical standards, principles, and policies as those committed to by warfair. Should a matter arise on the agenda of the Ethics Committee that involves one of its members, the Ethics Committee Chair shall determine whether such member shall be excluded from the discussion of the matter. If a matter arises on the agenda of the Ethics Committee that involves the Ethics Committee Chair, the Board Chair shall determine if the Ethics Committee Chair shall be excluded from the discussion of the matter and, if so, the Board Chair shall chair the agenda item without the presence of the Ethics Committee Chair.

#### H. LIMITED LIABILITY

The members of the Ethical Committee serve in their individual capacity and neither they nor the organisations or companies they represent or work for can in any way be held responsible for any actions, mistakes, economic transactions or ethical issues related to warfair and its partners.

#### G. CLOSURE

The Ethics Committee can be terminated in its function by the warfair Board. Should this happen against the will of the Ethics Committee or by any member(s) of the Ethics Committee they have the right to have a statement published and publicly shared including at the warfair website.

If the Ethics Committee wish to cease its functions the Ethics Committee and each of its members have the right to have a statement published and publicly shared including at the warfair website.

#### F. AMENDMENT

This document may be amended only upon approval by the Ethics Committee.

**Approved at the first meeting of the Ethics Committee on the 10<sup>th</sup> of June, 2020.**

**Amended to reflect the establishment of a warfair Board on the 27<sup>th</sup> of April, 2023.**