

Matrix.org Foundation CIC

Terms of Reference for the Governing Board

1 PREAMBLE

- 1.1 The Matrix.org Foundation C.I.C. (the "Foundation") is a company limited by guarantee and registered as a community interest company with the C.I.C. Regulator in England and Wales.
- 1.2 The objects of the Foundation (as set out in its Articles of Association) are based on two central themes of "*creating, maintaining and promoting Matrix as an openly standardised secure decentralised communication protocol and network*" and to "*build and develop an appropriate governance model for Matrix through the Foundation*".
- 1.3 The Governing Board Group structure was put into place in 2023 to enable the Foundation to be more operationally proactive and responsive in its management of Matrix.
- 1.4 The Foundation recognises that:
 - 1.4.1 The field of real-time communication over IP is not static; there are a number of external pressures and challenges that require sensitive and strategic handling;
 - 1.4.2 The Foundation has relationships with a number of external organisations and the Governing Board is the right forum to provide stakeholder dialogue in the Foundation's governance;
 - 1.4.3 The Guardians have a strategic duty and planning process. The role of the Governing Board should dovetail with this, focussing on practical and operational matters.

2 ROLE

- 2.1 The Governing Board shall support the Guardians in their governance of the Foundation by ensuring that the day to day running of the Foundation is fair, equitable and supports the overall balanced growth of the Matrix ecosystem and its individual participants, without advantaging any specific players.
- 2.2 The Governing Board shall carry out its advisory role under its delegated authority from the Guardians and in accordance with these Terms. For the avoidance of doubt, the Guardians shall be under no obligation to accept, act on or do anything analogous with the Governing Board's recommendations.

3 MANDATE

Specific tasks will include:

- 3.1 Approving the Foundation's budget, based on the Managing Director (MD)'s recommendations;
- 3.2 Approve spending of funds for major costs and grants, based on the MD's recommendations;
- 3.3 Approval of commercial partners and relationships for the Foundation with a value of over \$50,000, be it as an individual contract or as a cumulative value with the same partner over the last 12 months.
 - 3.3.1 Approving initiatives and programs which will have a major impact on the brand and reputation of the Foundation, or create a new revenue stream. Examples include, but are not restricted to: setting up an accreditation process, setting up a grant system,

organising a Matrix conference with a budget over \$10,000, setting up consulting or software development functions;

3.3.2 Providing a review and endorsement on a prioritised list of Spec Core Team ("SCT") priorities. For the avoidance of doubt, the Governing Board shall not have the authority to appoint or remove SCT members (which rests solely with the Guardians).

3.3.3 Providing post-meeting conclusions, recommendations and guidance on next steps to the Guardians.

4 MEMBERSHIP

4.1 The Governing Board shall initially comprise the members set out in Schedule 1 with one member being designated the chair of the Governing Board (the "Chairperson").

4.2 Membership is structured so that the Foundation gains advantage from a broad range of expertise, while ensuring that the size of the Governing Board is contained and operationally streamlined.

4.3 The maximum number of Governing Board members shall be 25. A system shall be in place to allow rolling replacement of members to regularly replenish the Governing Board as members come to the end of their service period. Schedule 1 sets out the selection process for members in further detail.

4.4 All members shall normally serve for two (2) years from the date of taking up membership (subject to the usual election timetable as set out below), except where:

4.4.1 A member is elected for a partial one (1) year term in order to elect a full board while maintaining the alternating election schedule; or

4.4.2 A member that is a Guardian or member of the SCT ceases their role with the Foundation; or

4.4.3 A member is appointed as a representative of a corporate Member ("Member") of the Foundation and ceases to be employed or otherwise engaged by the Member or the contractual relationship between the Foundation and the Member is terminated or expires; or

4.4.4 Their membership of the Governing Board is terminated in accordance with their appointment letter; or

4.4.5 The member resigns giving at least one (1) months' written notice to the Foundation.

5 PROCEEDINGS

5.1 All Governing Board members shall be required to conduct themselves in accordance with the Foundation's Articles, policies and general procedures, particularly in relation to conflicts of interest.

5.2 Meetings of the Governing Board are expected to be held at least bi-annually on dates to be determined by the Foundation giving not less than 30 days' notice to Governing Board members. Other informal meetings may take place as determined by the Foundation.

5.3 The Foundation shall send to the Governing Board members, and others entitled or invited to attend, an agenda and relevant supporting papers in advance of the relevant meeting.

5.4 The Governing Board shall select one member from their number to act as Chair for each meeting. Each meeting of the Governing Board shall have a specific agenda and

topics to review and discuss with defined outputs.

- 5.5 All decisions taken at Governing Board meetings shall be by simple majority, by default, with each participating member having one vote. The Governing Board may decide, through a vote by simple majority, to use a different voting method for a given action, provided these bylaws do not already prescribe a voting method for that kind of action.
- 5.6 Quorum for Governing Board meetings shall require the number closest to two thirds of Governing Board members to be present (which can include participation by electronic communications).
- 5.7 If any Governing Board member fails to participate in four (4) consecutive meetings, the Guardians shall review the member's position on the Governing Board.
- 5.8 Clear minutes and actions should be taken from each Governing Board meeting by a participating member.
- 5.9 The Foundation shall reimburse to the Governing Board member pre-approved travelling and accommodation expenses reasonably incurred upon production to the Foundation of proper receipts in respect thereof and where their physical attendance at events is required.

6 AMENDMENT

- 6.1.1 These Terms may be amended only with the prior written consent of the Guardians.

SCHEDULE 1: GOVERNING BOARD COMPOSITION AND APPOINTMENT PROCESS

1 COMPOSITION

The Governing Board shall be made up of:

- 1.1 The Managing Director of the Foundation in an ex officio capacity;
- 1.2 Three (3) Guardians as representatives of the Foundation, selected by a majority decision of the Guardians;
- 1.3 Two (2) representative members of the Spec Core Team (SCT), selected by a majority decision of the SCT;
- 1.4 One (1) representative from each of the Foundation's "Platinum" Members, up to a maximum of four (4). Where there are 4 or fewer Platinum Members, each Member shall be entitled to nominate their chosen representative. If there are more than 4 Platinum Members, the representatives will be selected by the Platinum Members using the Condorcet Method. Each Platinum Member will have one vote when electing the representatives;
- 1.5 One (1) representative from each of the Foundation's "Gold" Members, up to a maximum of three (3). Where there are 3 or fewer Gold Members, each Member shall be entitled to nominate their chosen representative. If there are more than 3 Gold Members, the representatives will be selected by the Gold Members using the Condorcet Method. Each Gold Member will have one vote when electing the representatives;
- 1.6 One (1) representative from each of the Foundation's "Silver" Members, up to a maximum of two (2). Where there are 2 or fewer Silver Members, each Member shall be entitled to nominate their chosen representative. If there are more than 2 Silver Members, the representatives will be selected by the Silver Members using the Condorcet Method. Each Silver Member will have one vote when electing the representatives;
- 1.7 Up to four (4) representatives from the Foundation's "Individual" Members, one every 50 Individual Members, selected by Individual Members using the Condorcet Method. Each Individual Member will have one vote when electing the representatives.
- 1.8 One (1) representative from each of the Foundation's "Ecosystem" Members, up to a maximum of three (3). Where there are 3 or fewer Ecosystem Members, each Member shall be entitled to nominate their chosen representative. If there are more than 3 Ecosystem Members, the representatives will be selected by the Ecosystem Members using the Condorcet Method. Each Ecosystem Member will have one vote when electing the representatives;
- 1.9 One (1) representative from each of the Foundation's "Associate" Members, up to a maximum of two (2). Where there are 2 or fewer Associate Members, each Member shall be entitled to nominate their chosen representative. If there are more than 2 Associate Members, the representatives will be selected by the Associate Members using the Condorcet Method. Each Associate Member will have one vote when electing the representatives;

2. Election Process

2.1 Aside from the MD, Governing Board members are elected by eight (8) constituency groups, namely: the Guardians; SCT; Platinum Members; Gold Members; Silver Members; Ecosystem Members; Associate Members; and Individual Members (individually a "Constituent Group", together the "Constituency Groups"). Each Constituent Group shall nominate and vote on candidates to

represent their respective Constituent Group. The number of seats allocated to each Constituent Group is described in clause 1 above. Nominations and elections shall be conducted in accordance with the Condorcet Method.

2.2 Notice of elections shall be sent to all Constituency Groups members before each election inviting nominations and specifying the form of nomination and the closing date for applications.

2.3 The election timetable shall run as follows:
Announcements made: Monday (Day 01)
Nomination period: Saturday (Day 06) 00:00:00 AOE to Friday (Day 12) 23:59:59 AOE
Campaigning period: Saturday (Day 13) 00:00:00 AOE to Friday (Day 33) 23:59:59 AOE
Voting period: Saturday (Day 34) 00:00:00 AOE to Friday (Day 47) 23:59:59 AOE
Results announced: Monday (Day 50)

2.4 Each nomination form shall relate to one representative only and shall contain such particulars as shall be prescribed by the Guardians.

2.4.1 No individual shall be a nominee in more than one Constituency Group.

2.5 The Guardians reserve the right to declare a representative ineligible for nomination, where it considers that the appointment or election of the representative to the Governing Board would not be in the best interests of the Foundation.

2.6 Elections will happen during the second quarter (April-June) of each calendar year, alternating halves of the Constituency Groups representatives on the Governing Board as per the following calendar:

- April-June 2024, and any subsequent even years - Guardians, SCT, Platinum, Ecosystem
- April-June 2025, and any subsequent odd years - Gold, Silver, Individual, Associate

2.6.1 The first Governing Board election in April-June 2024 will include elections for all Constituency Groups in order to seat a full board. Representatives elected from Gold, Silver, Individual, and Associate Members in that first election will serve a one (1) year term in order to maintain the alternating election schedule.

2.7 In the event that a Constituent Group member ceases to be a Platinum, Gold, Silver, Ecosystem, Associate, or Individual Member and their elected representative must resign from the Governing Board, a by-election shall be held during the fourth calendar quarter (October - December) to appoint a new representative. Should such cessation happen on or later than 1 January, no by-election will take place and a new Constituent Group representative will be appointed and elected during the usual annual election cycle.

2.7.1 In the event that a Constituent Group does not have all of its allocated seats occupied, and there is a Constituent Group member in good standing who is eligible to occupy a seat, a vacancy for that Constituent Group may be filled by appointment or by-election at the discretion of the Managing Director and the Guardians, in consultation with a Governance Committee, if one exists.

2.8 Unless approved by the Guardians, an increase in the number of participants in a given Constituent Group that would result in the creation of an additional representative post on the Governing Board (subject to the relevant maximum) shall not automatically trigger an off-cycle election for the appointment of said new representative. Instead, the nomination and election of an additional representative for the Constituent Group shall be added to the next scheduled election even where the other post(s) within the Constituent Group are not due for election. In the event that a new Constituency Group representative is appointed in this way, they shall only hold their post until the next scheduled election for the Constituent Group, at which point all such representative posts will reset and be subject to fresh nominations and elections. Where an increase in the number of members in a given Constituent Group exceeds the representative thresholds set out in Schedule 1(1) above, there shall not be a corresponding increase to the number of representative seats on the Governing Board above the relevant maximum. Instead, the role and composition of the Governing Board shall be reviewed more generally by the Guardians.

2.9 There shall be no limit on the number of terms a Governing Board member may serve. In the case of Governing Board members elected by the Platinum, Gold, Silver, Ecosystem, and Associate Members, it is expected that the nomination of representatives eligible for election would rotate amongst the relevant members of the Constituent Group. Furthermore, Constituent Group representatives shall not be eligible for nomination where a representative from the same corporate group of companies is already on the Governing Board.

3.0 The Guardians reserve the right to review these processes at any time and in their absolute discretion to improve the running of the Foundation.