

## STICHTING PROTERRA FOUNDATION BYLAWS

Amended on September 5, 2016

*“Sustainability is the capability to provide non-declining per capita utility infinitely”.*  
*NEUMAYER, E. – Weak versus Strong Sustainability. Second ed. Cheltenham, UK:*  
*Edward Elgar Publishing Limited, single volume, 2003.*

THESE BYLASWS PROVIDE THE RULES FOR GOVERNANCE OF THE PROTERRA FOUNDATION

### Table of Contents

STICHTING PROTERRA FOUNDATION BYLAWS .....	1
1. Governance of the ProTerra Foundation .....	2
2. Fundamental Principles of the ProTerra Certification Standard and System .....	3
3. Offices .....	3
4. Board of Directors .....	4
4.1 General Powers .....	4
4.2 Number and Tenure .....	4
4.3 Regular Meetings and Resolutions .....	4
4.4 Decision Making .....	4
4.5 Informal Action by Directors .....	4
4.6 Response to Meeting Scheduling .....	4
4.7 Proxy .....	4
4.8 Guests .....	5
4.9 Email voting .....	5
4.10 Conflict of Interest .....	5
4.11 Executive Director a Board Meetings .....	5
4.12 Written Minutes of Board Meetings .....	5
5. Boards and Committees .....	5
6. Evolution of the ProTerra Standard .....	5
7. Staffing .....	5
7.1 Executive Director .....	5
7.2 Expansion of ProTerra Foundation Activities .....	6
7.3 Reporting .....	6

7.4	Hire.....	6
7.5	Staff.....	6
7.6	Other Contracted Services.....	6
7.7	Organizational Chart.....	6
7.8	Salaries.....	6
8.	ProTerra Certification Governance Board.....	6
8.1	Structure.....	7
8.2	Election.....	7
8.3	Vote.....	7
8.4	Chairperson.....	7
8.5	Term.....	7
8.6	Resignation and Removal.....	7
8.7	Meetings & Quorum.....	8
8.8	Written voting.....	8
8.9	Presiding over Meetings.....	8
8.10	Response to Scheduling Inquiries.....	8
8.11	Proxy.....	8
8.12	Decisions.....	8
8.13	Written Minutes of Meetings.....	9
9.	Contracts, Loans, Checks, Drafts, Expenses and Deposits.....	9
9.1	Contracts.....	9
9.2	Loans.....	9
9.3	Checks, Drafts, Authorization for Expenses.....	9
9.4	Deposits.....	9
10.	Fiscal Year.....	9
11.	Amendments.....	9

## 1. Governance of the ProTerra Foundation

Governance of the ProTerra Foundation means primarily the rule of law and ethics, respecting explicit and implicit contracts between the foundation and the stakeholders for accountability of responsibilities and rights, procedures for reconciling the sometimes conflicting interests of stakeholders in accordance with their duties, privileges, and roles, and procedures for proper supervision, control, and information-flows as a system of monitoring, evaluation and impacts

measurement of a Certification System that protects and preserves the Fundamental Principles of the ProTerra Standard, stated below.

- 1.1 Observe Ethics – The Chairman, Directors of the Board, the Executive Director, Members of the Certification Governance Board, and Staff Members of The Proterra Foundation must refrain from using information acquired, due to their position, from the ProTerra Foundation or any organization in close cooperation with or owned by the Proterra Foundation, to raise complaints to put pressure on users of the Proterra Standard, supporters of the Proterra Foundation and Stakeholders, and, by doing so, potentially damaging their reputation.
- 1.2 These principles will be read to and formally accepted by any new person joining the ProTerra Foundation in any position.

## 2. Fundamental Principles of the ProTerra Certification Standard and System

The ProTerra Certification Standard and System are founded on the following fundamental sustainability principles:

- 2.1 Obedience to the rule of Law
- 2.2 Protection of human rights and workers' welfare
- 2.3 Responsible relations with workers and community
- 2.4 Protection of traditional land use
- 2.5 Protection of biodiversity and continued environmental services
- 2.6 Exclusion of GMOs
- 2.7 Adoption of sustainable agricultural practices.
- 2.8 Operation of a fully traceable and segregated Chain of Custody

These Fundamental Principles were originally embodied within the Basel Criteria for Responsible Soy ([http://awsassets.panda.org/downloads/05\\_02\\_16\\_basel\\_criteria\\_engl.pdf](http://awsassets.panda.org/downloads/05_02_16_basel_criteria_engl.pdf)), and have been applied by the ProTerra Foundation to all stages of the food chain and all sectors of the food and feed systems.

## 3. Offices

The foundation has its registered office in the municipality of De Bilt, The Netherlands, and address at Jan Steelaan 5, 3725 BS, Bilthoven, The Netherlands, or where the Board of Directors deems advisable to establish an administrative office.

## 4. Board of Directors

### 4.1 General Powers

The Board of Directors governs the ProTerra Foundation, holding fiduciary responsibility and final decision-making authority for the organization, ensuring it keeps the objectives outlined in the Statutes.

### 4.2 Number and Tenure

The number of directors or Board Members, term, appointment, resignation or dismissal shall be as per the provisions of the Statutes or Articles of Incorporation of Stichting ProTerra Foundation, Articles 3, and 4.

### 4.3 Regular Meetings and Resolutions

Meetings and resolutions shall be held as per Article 6 of the Statutes.

### 4.4 Decision Making

The Board of Directors strives for consensus-based decision-making. Consensus is defined as agreement by all the Directors present at the meeting. Accordingly, Directors expressing a minority position shall be compelled to propose alternative solutions to in an effort attain consensus. In the absence of consensus, dissenting Director(s) shall work with the Chairman of the Board, the Board of Directors, and the Executive Director, to achieve resolution.

- 4.4.1 If unanimity cannot be achieved at the subsequent Board of Directors meeting, the majority opinion of the Directors present at that meeting shall be the act of the Board of Directors. Dissenting opinions or abstaining directors, shall be noted in the meeting minutes, if so desired by the dissenting or abstaining parties.

### 4.5 Informal Action by Directors

Any action required to be taken at a meeting of Directors, or any action which may be taken at a meeting of Directors or a committee of Directors, may be taken without a meeting if one or more consents in writing setting forth the action so taken, shall be signed or have a written consent by all of the Directors, or all of the members of the committee of Directors, as the case may be, and such consent(s) are delivered to the ProTerra Foundation for inclusion in the corporate minutes or records.

### 4.6 Response to Meeting Scheduling

Directors agree to respond promptly to scheduling inquiries, to be available for meetings, and to provide feedback on current issues in a timely manner. Majority of directors shall constitute a quorum for the transaction of business at any meeting of the Board.

### 4.7 Proxy

Any Director on the Board can hold the proxy for one other Member of the Board of Directors for any meeting of the Board of Directors, based on a written request of the Director not attending.

#### 4.8 Guests

Guests may participate in meetings of the Board of Directors by invitation of any Board of Directors Member or the Executive Director of the Foundation, with a prior notice to the other Directors and the consent of at least two Directors.

#### 4.9 Email voting

Voting may be conducted by written consent (i.e. email voting), unless any Director expresses a need for additional discussion.

#### 4.10 Conflict of Interest

Board members shall abstain from voting for decision-making regarding subject matters in respect of which they have direct or indirect interests that may potentially conflict with the interests of the Foundation, unless at least two other Directors consider that their participation is to the best interest of the Foundation.

#### 4.11 Executive Director a Board Meetings

The ProTerra Foundation's Executive Director attends meetings of the Board of Directors ex-officio, to be the secretary of the meeting, without voting rights.

#### 4.12 Written Minutes of Board Meetings

The Executive Director of the Proterra Foundation shall assure that written minutes for all meetings are distributed to all directors via email following each meeting, typically within one week.

### 5. Boards and Committees

The Board of Directors from time to time by Resolution adopted by the majority of the Board of Directors may appoint from its members or appointed individuals from organizations certified under the Proterra Standard, a committee or committees, temporary or permanent, and, to the extent permitted by law and these bylaws. The Board of Directors shall designate the duties, powers and authorities of such committee. Example are arbitration boards or a task force committee for a given purpose.

### 6. Evolution of the ProTerra Standard

Criteria and Indicators of the ProTerra Standard may be modified if warranted. However, the Fundamental Principles, identified above, may only be altered by unanimous agreement among the ProTerra Board of Directors, but, in the absence of full consensus, by a majority of at least 80% of all Directors.

### 7. Staffing

#### 7.1 Executive Director

The Executive Director shall have the responsibility to do the executive administration of the Proterra Foundation, subject to the direction and control the Chairman of the Board and the Board of Directors, and be entitled to represent the Foundation in matters relating to public representation of the same and its Certification System, and to

maintain all administrative and executive acts in alignment with the strategic direction of the Foundation, and these Bylaws, and to uphold the Fundamental Principles of the ProTerra Certification System.

#### 7.2 Expansion of ProTerra Foundation Activities

The Executive Director shall, subject to the control of the Chairman of the Board and of The Board of Directors, be responsible for, supervise and control all the expansion and other business and affairs of the Proterra Foundation, supervise and control all transactions and operational activities, with special attention to the strategic direction of the Foundation.

#### 7.3 Reporting

The Executive Director reports to the Chairman of the Board and to the Board of the ProTerra Foundation, to the Financial Advisor or Financial Officer in Charge on behalf of the Proterra Foundation.

#### 7.4 Hire

The Executive Director may be contracted or hired, as per decision of the Board of Directors.

#### 7.5 Staff

The Proterra Foundation by decision of the Board will hire or subcontract technical and administrative staff as necessary to cover the area of Certification, Training, Monitoring and Evaluation – Impact Measurement, Finance and Accounting and other functions that may be proper and necessary.

#### 7.6 Other Contracted Services

The Proterra Foundation may contract services of Scientific Advice, Financial Management and reporting, Financial Audits, Information Technology, Marketing and Communications, and other services that may become necessary.

#### 7.7 Organizational Chart

The board will approve an Organizational Chart for the Proterra Foundation and update it from time to time. The ProTerra Board, Executive Director and Staff of the ProTerra Foundation will be the same as those working for the ProTerra Sustainability Network BV. Although the content and impacts of their work will be different, they will work and be part of the same team or organization owned by ProTerra Foundation, as may be applicable.

#### 7.8 Salaries

The salaries of the officers and staff shall be fixed from time to time by the Board of Directors and no officer shall be prevented from receiving such salary because he is also a Director of the Foundation.

### 8. ProTerra Certification Governance Board

The ProTerra Certification Governance Board exists to:

- Respond to technical questions about the Proterra Standard;
- Provide guidance on technical questions relating to certification or the certification protocol;
- Conduct and assist with revisions of the Standard when appropriate;
- Actively gather input from stakeholders to use as guidance in their deliberations and in the standard revision process; and
- Formulate recommendations to the Board of Directors on governance and operation of all aspects of the ProTerra Certification System, based on input received from the full range of stakeholders within the ProTerra Certification System.

### 8.1 Structure

The ProTerra Certification Governance Board shall consist of at least three (3) but no more than six (6) Members. The overall composition of the Governance Board shall have a balanced representation of interests, including members from a full spectrum of stakeholder sectors, as practically possible. Members of the Certification Governance Board will have expertise in Certification Systems.

### 8.2 Election

The Certification Governance Board members shall be elected at a regular annual meeting of the Board of Directors. All nominees shall be put forward based on input from The Certification Governance Board, Members of the Board of Directors, and organizations certified under the Proterra Standard.

### 8.3 Vote

In any election of Certification Governance Board Members, the nominees receiving the highest number of votes are elected. Elections for Governance Board Members need not be by ballot unless one or more Members of the Board of Directors demand election by ballot at the meeting and before the voting begins.

### 8.4 Chairperson

The Board of Directors shall appoint a Chairperson of the Certification Governance Board.

### 8.5 Term

Certification Governance Board Members are elected to a term of three (3) years and may be re-elected. Each Certification Governance Board member, including members elected to fill a vacancy, shall hold office until their successor is elected, except as otherwise approved by the Board of Directors.

### 8.6 Resignation and Removal

Any member of the Certification Governance Board may resign from the same at any time by giving written notice to the Chairman of the Certification Governance Board, Chairman of the Proterra Foundation Board of Directors, or the Executive Director of the Proterra Foundation or secretary of the ProTerra Foundation.

Any member of the Certification Governance Board may be removed at any time with or without cause by resolution adopted by the Board of Directors.

No resignation or removal shall alter the obligations of member of the Certification Governance Board that arose prior to the resignation or removal, including but not limited to obligations to continue to maintain the confidentiality of confidential information.

#### 8.7 Meetings & Quorum

The Certification Governance Board meets at least every six months or when there is a request for a meeting, either via conference call or in person.

A majority of Certification Governance Board Members shall constitute a quorum at any meeting of the Certification Governance Board, provided that the quorum also is balanced to the extent that the voting Governance Board Members present are not comprised of more than 50% of any single stakeholder category/interest group.

#### 8.8 Written voting

Voting may be conducted by written consent (i.e. email voting), unless any director expresses a need for verbal discussion.

#### 8.9 Presiding over Meetings

Meetings will be presided by the Chairman of the Certification Governance Board, by the Chairman of the Board or by a person designated by the Board of Directors of the ProTerra Foundation. The ProTerra Foundation's Executive Director may attend all meetings of the Certification Governance Board ex officio, but does not have voting rights.

#### 8.10 Response to Scheduling Inquiries

All Certification Governance Board Members shall agree to respond promptly to scheduling inquiries, to be available for most scheduled meetings, and to provide feedback on current issues in a timely manner.

#### 8.11 Proxy

Any Certification Governance Board Member can hold the proxy and vote for one other Certification Governance Board Member for any meeting of the Certification Governance Board, based on written request from the absent Governance Board Member. Guests may participate in meetings of the Certification Governance Board, by invitation of any Certification Governance Board Member or the Executive Director of the Foundation.

#### 8.12 Decisions

The Certification Governance Board strives for consensus-based decision-making. Consensus is defined as agreement by all Certification Governance Board Members present at the meeting. Accordingly, Members expressing a minority position shall be compelled to propose alternative solutions in order to attain consensus. In the absence of consensus, dissenting members(s) shall work with the ProTerra Foundation's Chairman, the Executive Director and other Members of the Certification Governance Board to achieve resolution.



- 8.12.1 If consensus cannot be achieved at the subsequent Certification Governance Board meeting, the majority opinion of Certification Governance Board Members who are present at the subsequent meeting shall be the act of the Certification Governance Board. Dissenting opinions shall be duly noted in the meeting minutes, if so desired by the dissenting parties.

### 8.13 Written Minutes of Meetings

The Executive Director shall assure that written minutes for all meetings are distributed to all Certification Governance Board Members and to Members of the Board of Directors via email following each meeting (typically within one week).

## 9. Contracts, Loans, Checks, Drafts, Expenses and Deposits

### 9.1 Contracts

The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

### 9.2 Loans

No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

### 9.3 Checks, Drafts, Authorization for Expenses

All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Proterra Foundation, shall be signed by such officer or officers, agent or agents of the Foundation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

### 9.4 Deposits

All funds of the Proterra Foundation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the Board of Directors may select.

## 10. Fiscal Year

The fiscal year of the corporation shall be the Calendar Year.

## 11. Amendments

These bylaws may be altered, amended or repealed and new bylaws may be adopted by the corporation's shareholders or by the Board of Directors of the ProTerra Foundation.