

TERMS OF REFERENCE

PROTERRA FOUNDATION STAKEHOLDERS COUNCIL

1. Mandate

The ProTerra Foundation Stakeholder Council is mandated by the ProTerra Foundation Board of Directors to provide strategic advice and recommendations on the goals and objectives of the ProTerra Foundation and its strategic implementation.

When doing so, members of the ProTerra Foundation Stakeholders Council will keep in mind the expectations of the market as well as the mission and vision of the ProTerra Foundation.

Members of the ProTerra Foundation Stakeholders Council accept to abide by these Terms of Reference and the relevant Confidentiality Agreement.

2. Responsibilities

The ProTerra Foundation Stakeholder Council is responsible for:

- Provide strategic advice and recommendations to the ProTerra Foundation Secretariat and Board of Directors on any the goals and objectives of the ProTerra Foundation and its strategic implementation;
- Provide strategic guidance and feedback to the ProTerra Foundation Board of Directors on any decision relevant to best pursue the vision and mission of the organisation;
- Participate regularly in the organised meetings and contribute to the tasks of the ProTerra Foundation Stakeholder Council;
- Use the English language for all official communications and meetings.

The list of responsibilities is not exhaustive.

The ProTerra Foundation Stakeholder Council may take additional specific tasks, upon request from the Board of Directors.

Failing to meet one or more of these obligations may justify the withdrawn from the ProTerra Foundation Stakeholder Council, as per Board of Directors' recommendation.

3. Composition

The ProTerra Foundation Stakeholder Council consists of a minimum of three and a maximum of nine members with demonstrated knowledge in the field of sustainable food supply chains and certification as well as genuine interest and stake in the vision and mission of the organisation (e.g. those being part of the ProTerra Network).

Concretely, they are eligible to be part of the ProTerra Foundation Stakeholder Council:

- Agricultural producers or legal entities representing agricultural producers (farmers' associations, rural trade unions, farmers' cooperatives);
- Economic actors from food and feed or other processing industry, using the certified agricultural commodities (e.g. crushers, mills, ginneries);
- Retailers, food brands, importers or traders;
- End-consumers representatives;
- Sustainable food and agriculture-related NGOs or international agencies;
- Independent experts.

In addition, the following representatives will be part of the Stakeholder Council, without voting rights:

- ProTerra Foundation Managing Director or another appointed member of the ProTerra Foundation Secretariat;
- A member of the ProTerra Foundation Board of Directors appointed by the Board.

Ad-hoc Contributors: The ProTerra Foundation Managing Director or the Chair of the ProTerra Foundation Board of Directors may invite ad-hoc contributors to participate in one or more ProTerra Foundation Stakeholder Council meetings to:

- Present a paper or study relevant to one or more of the agenda items;
- Contribute to discussions related to its specific expertise.

Ad-hoc contributors will abide by these Terms of Reference and related Confidentiality Agreement.

4. The chair and vice-chair mandate

The ProTerra Foundation Stakeholder Council will elect among its members a chairperson and a vice-chair for a three-year period with the possibility to extend the mandate for another three-year period.

The chairperson will define the agenda and relevant procedures, together with the ProTerra Foundation Managing Director to ensure meetings meet the objectives set by the Board of Directors.

The chairperson will steer the meetings and follow up on the decision taken as well as liaise with the Board of Directors as relevant.

The chairperson will participate in all meetings of the ProTerra Foundation Board of Directors to represent the Stakeholder Council voice and advice. He or she will have no voting rights but the right to be heard.

The vice-chair replaces the chair in cases of absence, conflict of interest or any other grounds found relevant by the ProTerra Foundation Stakeholder Council.

5. Selection Process

The ProTerra Foundation Managing Director, after having consulted the Board of Directors will send invitations to join the ProTerra Foundation Stakeholder Council to pre-selected candidates based on their knowledge, seniority and their genuine interest in the vision and mission of the organisation.

The selected members will need to formally agree with these Terms of Reference and relevant Confidentiality Agreement. They will be consequently appointed by the ProTerra Foundation Board of Directors for a three-year period, renewable once, following an open call for new candidates.

As all communications and discussions will be held in English, having a good command of this language will be taken into consideration for the selection of the candidates.

6. Working procedure

6.1. Meetings

The ProTerra Foundation Stakeholder Council will meet at least once a year in a physical meeting. A quorum of 50% of the members is to be reached to have a meeting.

Meetings may also be organised by electronic means.

6.2. Agenda and invitation

The agenda for meetings is set by the ProTerra Foundation Secretariat in coordination with the chair of the ProTerra Foundation Stakeholder Council.

The ProTerra Foundation Secretariat will send the agenda to the rest of the members together with the invitation and logistic information.

The members of the Stakeholder Council will be timely informed, in case an ad-hoc contributor has been invited to the meeting as well as the relevant item for which he or she will participate.

Reading materials and other relevant topics will be provided by the ProTerra Foundation Secretariat at least ten days before the meeting.

Any member can suggest topics to be added to the agenda, within the appropriate timeframe to allow that the ProTerra Foundation Secretariat provide documentation in due time.

6.3. Decision taking during meetings

6.3.1. Led by consensus

The ProTerra Foundation Stakeholder Council will seek to make decisions by consensus. If not, decisions will be made by the simple majority through voting. In case of a tie, the vote of the chair (or vice-chair in his absence) will decide.

This method applies both for physical meetings as well as conference calls.

6.3.2. Proxy votes

Proxy votes are possible, but they need to be provided to the ProTerra Foundation Secretariat at least five days before the relevant meeting.

One person will only use one proxy vote, duly approved by the ProTerra Foundation Secretariat. It will be presented in writing to the chair on the day of the meeting

6.3.3. Conflict of interest

Members of the ProTerra Foundation Stakeholder Council will communicate to the ProTerra Foundation Secretariat, their refusal to vote on one or more items of the agenda based on conflicts of interest. This communication will be sent at least five days before the meeting and no later than before the discussion on the topic starts.

Members of the ProTerra Foundation Stakeholder Council are responsible for communicating to the ProTerra Foundation Secretariat their declaration of conflicts of interest. However, in case of obvious conflict of interest, any of the members can request to the chairperson that such a member does not participate in the discussions.

6.4. Ad-hoc consultations

The ProTerra Foundation Secretariat may request ad-hoc strategic advice to the ProTerra Foundation Stakeholder Council in between meetings.

This consultation will be done by email providing all relevant documents as well as the specific questions and requesting expert feedback within ten working days.

The ProTerra Foundation Secretariat will consider the strategic advice shared by the majority of members. This may require two consultation rounds:

6.4.1. First round:

- If 50% or more of the members provide feedback to the consultation, the recommendation supported by the majority of the members will be adopted. In case of a tie, the vote of the chair (or the vice-chair) will decide.
- If less than 50% of the members reacted to the consultation, it will be accepted the recommendation supported at least by the chair and vice-chair, unless two or more members present a clear objection against it before the deadline. (e.g. consent in silent). In this case, there is no second round.

6.4.2. Second round:

In case of multiple comments without reaching consensus, the ProTerra Foundation Secretariat will adapt the documents accordingly.

A second mailing with the amended documents will be sent out by ProTerra Foundation Secretariat to the members of the ProTerra Foundation Stakeholder Council to receive feedback within five working days.

The ProTerra Foundation Secretariat will take the same approach than in the first round to define the recommendation that counts with stronger support.

6.5. Minutes

The ProTerra Foundation Secretariat will take minutes of the meetings, which will be distributed to the members of the ProTerra Foundation Stakeholder Council for approval.

Minutes are to be sent within ten working days after the meeting and will be approved by the members no-later-than 10 days after being sent to them.

After approval, minutes are to be sent to the ProTerra Foundation Board of Directors.

Relevant extracts may be distributed to the Certification Body and the Certification Committee when appropriate.

7. Confidentiality

Members of the ProTerra Foundation Stakeholder Council are due to sign a Confidentiality Agreement to be renewed each term and to treat as confidential all information and documents gathered during their service at the ProTerra Foundation Stakeholder Council. Members will follow this obligation regardless of documents are expressly classified as confidential or not by the ProTerra Foundation Secretariat.

8. Compensation

Members of the ProTerra Foundation Stakeholder Council contribute to the organisation on a pro-bono basis.

The members are entitled to reimbursement of travel costs (airfare and train based on 2nd/economy class tariffs) and to a daily subsistence for meetings abroad. However, none of these payments is made automatically, but only when explicitly asked and by presenting adequate invoices and receipts.

Reimbursement will be done after the Managing Director has approved those invoices/receipts.

Approved by ProTerra Board, September 2019