

Supervisory Committee Regulations

Article 1 Composition

- 1.1 The supervisory committee consists of at least five natural persons. At least one member of the supervisory committee has to be affiliated with a participant in the foundation.
- 1.2 The supervisory committee is composed in a way that the members can function as good supervisors, independent of each other, the board and constituent interests, and can contribute to the decision-making process critically.
- 1.3 The supervisory committee prepares a profile sketch of the supervisory committee, in which the size of the committee and the required qualities and characteristics of the members are described. This profile sketch requires the approval of the assembly of participants. When the profile sketch is prepared, the nature of the foundation, its activities and the required expertise and background of the members of the supervisory committee are taken into account. This profile sketch is evaluated periodically by the supervisory committee but at least when a vacancy needs to be filled. The current profile sketch is included as Appendix 1.
- 1.4 The members of the supervisory committee are appointed for a term of four years and can be reappointed once. Before reappointing a member of the supervisory committee who resigns in conformity with the schedule, the supervisory committee evaluates this member's performance, whether or not within the framework of the annual evaluation of the performance of the supervisory committee, and the respective member's performance as well as the current circumstances and the most recent profile sketch are considered. Additionally, the question as to whether renewal in the supervisory committee is advisable is also considered.
- 1.5 The supervisory committee adopts a retirement schedule in conformity with Article 11, paragraph 4, of the articles of association. The current schedule is included in Appendix 2. The retirement schedule is published on the website of the foundation.
- 1.6 Members of the supervisory committee retire prematurely when this is required, for instance in the event of insufficient performance, structural difference of opinion, incompatible interests, or otherwise.
- 1.7 The supervisory committee appoints a chairperson from its number. The chairperson is responsible for the committee performing adequately and is the primary contact for the board. The resolution to appoint the chairperson requires the approval of the assembly of participants.

Article 2 Duties and authorities

- 2.1 The supervisory committee has all duties and authorities it is charged with by virtue of the law and the articles of association of the foundation.
- 2.2 The supervisory committee is charged with supervising the board policy and the general affairs of the foundation in a stimulating and critical manner. The committee interferes where necessary. In fulfilling its duties, the supervisory committee focuses on the interest of the foundation and carefully balances the interests of the stakeholders involved in the foundation. The supervisory committee is responsible for the quality of its own performance.
- 2.3 The supervisory committee specifically ensures that the execution of the management policy is consistent with the established and approved (long-term) strategy plans, the accompanying budget(s) and the requirements for retaining the CBF Hallmark and the ANBI status of the foundation. The supervisory committee also sees to it that these strategy plans are in line with the mission of IUCN.
- 2.4 Additionally, the supervisory committee has the following duties and authorities, without prejudice to the provisions of the articles of association of the foundation:
 - a) Appointment, dismissal and suspension of the board members. The board members are recruited and selected on the basis of a profile sketch prepared in advance (Appendix 3), in which the nature of the foundation, its activities and the required expertise of the board members are taken into account;
 - b) Monitoring the quality of the board, for instance by calling in experts from outside the foundation to be involved in the procedure for filling a board vacancy;
 - c) Every year, a job appraisal interview is conducted with the board members. This interview will be with a delegation from the supervisory committee, after which the findings will be discussed by the supervisory committee. The supervisory committee prepares a report of the job appraisal interviews and the subsequent discussion. This report will be archived by or on behalf of the supervisory committee;
 - d) Supervising the avoidance of conflicts of interests by its members and the board members;
 - e) Approving board resolutions as referred to in Article 9, paragraph 2, of the articles of association;
 - f) Approving the appointment of an external confidential counsellor.
- 2.5 Pursuant to the provisions of Article 9, paragraph 2, under f, of the articles of association of the foundation, a board resolution to appoint or dismiss a person whose salary or remuneration exceeds or equals scale 13, requires the prior approval of the supervisory committee.
- 2.6 Pursuant to the provisions of Article 9, paragraph 2, under j, of the articles of association of the foundation, a board resolution to make considerable spending or investments that are not included or not completely included in the budget and exceed an amount of EUR 500,000, requires the prior approval of the supervisory committee. A board resolution to make considerable spending or investments that are included in the budget but exceed an amount that is equal to 50% of the continuity reserve or pertain to a subject to be determined by the supervisory committee, requires the prior approval of the supervisory committee.

Article 3 Division of functions

- 3.1. The chairperson of the supervisory committee acts as a contact for the members of the committee and the board.
- 3.2. The board sees to managing the archive of the supervisory committee. Together with the vice-chairperson the chairperson signs on behalf of the supervisory committee:
 - a) contracts with the board (members);
 - b) correspondence of the supervisory committee (including the minutes of the meetings of the committee).
- 3.3. The supervisory committee can, if required, decide to a mutual division of duties and authorities. In general, such division will depend on the background, discipline and expertise of the members of the supervisory committee. Any division, however, is without prejudice to the responsibility for the integral supervision by the supervisory committee.
- 3.4. The supervisory committee keeps periodic contact with the employee representation body of the foundation via the chairperson or a member designated for the purpose. On the invitation of the employee representation body, the chairperson or the member designated for the purpose attends a meeting of the employee representation body twice a year. This meeting takes place in the presence of the board once, and once it takes place without the presence of the board.
- 3.5. The supervisory committee establishes an audit commission from its members, which is charged with supervising the financial reporting process, the audit of the annual accounts and the risk management system of the foundation, as well as such other duties as determined by the supervisory committee. The supervisory committee provides the further details of the duties and authorities of the audit commission in regulations (Appendix 4). The committee can also establish other commissions from its members and charge these with specific duties.

Article 4 Meetings

- 4.1. The supervisory committee convenes at least four times per year in conformity with a set schedule in which the dates for the coming year and the subjects to be discussed are included. Additionally, the supervisory committee convenes when the chairperson of the supervisory committee or at least two members of the supervisory committee or the board deem necessary. Meetings are convened with due observance of a term of at least five working days, not including the day of the convocation. In urgent cases, a shorter term may apply, at the chairperson's discretion.
- 4.2. The convocation to the meeting is in writing (by e-mail or any other electronic communication means) by or on behalf of the chairperson to every member of the supervisory committee. The location and time of the meeting and the subjects to be discussed at the meeting are stated in the convocation.
- 4.3. In principle, the board prepares the meetings of the supervisory committee in consultation with the chairperson of the supervisory committee. The board draws up the agenda in consultation with the chairperson of the supervisory committee. Board resolutions that require the approval of the supervisory committee pursuant to the articles of association are put on the agenda in writing and with the reasons stated.

- 4.4. The meetings of the supervisory committee are chaired by the chairperson or vice-chairperson. In their absence, the chairperson of the meeting is appointed by the members of the supervisory committee attending the meeting by a majority of the votes cast.
- 4.5. The supervisory committee can have a meeting by telephone, by videoconference or by other means of communication, provided that all members of the supervisory committee participating in this meeting can hear each other.
- 4.6. The board sees to making the minutes of the subjects discussed at the meeting. The minutes are approved at the next meeting by the supervisory committee and then signed by the chairperson of the meeting and the management assistant.
- 4.7. Third parties can only attend a meeting of the supervisory committee or part of the meeting on the invitation of the chairperson of the supervisory committee. The board and the other members of the supervisory committee can suggest to the chairperson of the supervisory committee that third parties are invited to attend the whole meeting of the supervisory committee or part of the meeting.
- 4.8. In the event of frequent absence of a member of the supervisory committee, this member will be taken to account in respect of this by the chairperson.

Article 5 Decision-making

- 5.1. Every supervisory committee member has one vote. The adoption of resolutions requires the personal presence of more than half of the number of members of the supervisory committee at the meeting. A member of the supervisory committee can have himself/herself represented by a written power of attorney at a meeting of the supervisory committee by another member of the supervisory committee. A member of the supervisory committee is only allowed to represent one other member by a power of attorney.
- 5.2. The members of the supervisory committee aim at adopting resolutions unanimously whenever possible. If unanimity seems unfeasible and the law, the articles of association of the foundation or these regulations do not require a larger majority, all resolutions of the supervisory committee will be adopted by a majority of the votes cast. If there is an equal division of votes, the proposal will be considered rejected.
- 5.3. The supervisory committee does not adopt any resolutions in a field for which a specific member of the supervisory committee is responsible in particular, if this member is absent.
- 5.4. A resolution of the supervisory committee can be evidenced to the outside world by a statement of the chairperson and the vice-chairperson of the supervisory committee.

Article 6 Independence

- 6.1. The members of the supervisory committee state their additional functions, including but not restricted to management functions, supervisory board memberships, and consultancy roles. If and to the extent that this is the case, a member of the supervisory committee has to report any business relationships between the foundation and another legal entity or company the respective member is personally involved in, either directly or indirectly.

- 6.2. If a member of the supervisory committee accepts or wants to continue an additional function which, given its nature and the time it requires, is relevant for his/her performance, he/she will ask the supervisory committee for approval in advance.

Article 7 Transparency and giving account

- 7.1. The board submits to the supervisory committee all information – solicited and unsolicited, and in a timely manner (no surprises) – the supervisory committee needs for executing its duties well. The specific policy and the practical results of this policy are part of this information. The supervisory committee and the individual members of the supervisory committee also have their own responsibility to demand all information the supervisory committee requires to be able to execute its duty as a supervisory body well. The supervisory committee may, if it deems necessary for executing its duty well, gather information from officials and external consultants of the foundation, via or at least with notification to the board, and gets access to all documents and facilities of the foundation that are necessary to form an independent opinion in this manner.
- 7.2. The supervisory committee discusses the affairs of the foundation with the board periodically. At least once per year, the supervisory committee consults with the board about the strategy, the general policy, the financial state of affairs, compliance with legislation and regulations, any fraud incidents, and integrity in general. This also includes the budget, the annual accounts and the systems of administrative organisation and internal control used by the board.
- 7.3. The supervisory committee discusses the required extent of insurance of the foundation and itself against liability with the board periodically.
- 7.4. To the extent that matters in the foundation are discussed with external stakeholders, this is primarily done by the board. A member of the supervisory committee can be present at this discussion, if so desired.
- 7.5. The supervisory committee has an open relationship with the employees of the foundation and their bodies, such as the assembly of participants and the employee representation body.
- 7.6. The supervisory committee or a delegation of it has consultations with the external accountant at least once per year. At least the annual accounts and the risk management and control system are discussed. The supervisory committee receives a copy of all reports from the external accountant to the board.
- 7.7. The supervisory committee ensures that employees can report (supposed) irregularities of a general, operational or financial nature, including so-called integrity issues, without jeopardising their legal status.
- 7.8. At least the profile sketch for the supervisory committee and the relevant – former – (additional) functions of the members of the supervisory committee and the board are included in the annual report of the foundation. To the extent that members of the supervisory committee have been appointed on the recommendation or with the approval of third parties, this will also be reported.
- 7.9. In the annual report, the supervisory committee and the board also report to which extent the foundation complies with the relevant provisions on Principles and Best Practices (CBF hallmark/Partos Code of Conduct/ANBI/WNT/guidelines Wijffels Code). If this is not the case, it will be explained with the reasons stated.

Article 8 Performance evaluation

- 8.1. At least once per year, without the presence of the board, the supervisory committee evaluates its own performance and the consequences this should have. At least once per year, the supervisory committee additionally discusses the performance of the board, also towards the supervisory committee.
- 8.2. At least once per year, the performance of the chairperson of the supervisory committee is evaluated in an interview between the vice-chairperson and the chairperson. The vice-chairperson sees to the input from the members of the supervisory committee and the board for the benefit of this interview and informs them about the result.
- 8.3. Prior to the evaluation as referred to in paragraph 1, the supervisory committee asks the board for its views on the performance of the supervisory committee and its individual members and takes these, as well as other points of special attention of the board, into account in its evaluation.

Article 9 Acting externally and confidentiality

- 9.1. If individual members of the supervisory committee are contacted by external relations or by persons working with participants about matters concerning or related to the relationship between the foundation and the participants, the member of the supervisory committee will refer them to the board. The board will be informed about this as soon as possible.
- 9.2. At the request of the board, the members of the supervisory committee are given the opportunity to participate in activities or events of the foundation. In principle, the board is the external representative of the foundation. If required in the opinion of the board and the chairperson of the supervisory committee, the foundation can be represented by the chairperson (or another member) of the supervisory committee in the event of special activities and events.
- 9.3. The members of the supervisory committee are held to observe the necessary discretion with respect to information and documentation obtained in the context of their function and, if the information is confidential, to observe secrecy.
- 9.4. The members of the supervisory committee will not take any confidential information outside the supervisory committee or disclose it to the public or make it available to third parties in any other way, unless the foundation has made this information public or unless it has been established that this information is already known to the public. The foregoing does not include cases in which the chairperson of the supervisory committee in consultation with the board has given his/her approval in writing, or members of the supervisory committee are compelled to disclosure pursuant to a judicial decision.

Article 10 Disputes/conflict handling

- 10.1. If the board or the supervisory committee concludes that there is a conflict between the two bodies, not being an employment conflict between the board and the foundation, the following procedure will be used:
 - a) The board and the supervisory committee will first try to reach an agreement in mutual consultation.

- b) If the board and the supervisory committee cannot reach an agreement in mutual consultation, they will, with respect to the conflict, ask a party to be designated by them for advice, which party has to be an expert concerning the respective conflict and has to be trusted by both parties (mediation).
- c) If the board and the supervisory committee cannot reach an agreement about the expert to be designated by them jointly or if the advice rendered does not lead to an agreement, the opinion of the supervisory committee concerning the conflict will be decisive. To this end, the chairperson of the supervisory committee calls a meeting of the supervisory committee, hears the board about the conflict at the meeting (if possible) and then makes a decision. This decision requires a majority of at least three fourths of the votes validly cast at a meeting at which all members of the supervisory committee are present or represented. If the quorum referred to in the previous sentence is not represented, a second meeting will be called within fourteen days after the first meeting, at which a decision can be made by a majority of at least three fourths of the votes validly cast, provided that more than half of the number of members of the supervisory committee are present or represented.

Article 11 Final provisions

- 11.1. For all matters not specifically provided for in these regulations, the provisions set out in the articles of association of the foundation or the law shall apply.
- 11.2. In its annual evaluation of its performance, the supervisory committee also checks if these regulations still meet the criteria to be set. The chairperson asks the board for its opinion in advance.
- 11.3. These regulations can be amended by a resolution of the supervisory committee. This decision requires a majority of at least three fourths of the votes validly cast at a meeting at which all members of the supervisory committee are present or represented. If the quorum referred to in the previous sentence is not represented, a second meeting will be called within fourteen days after the first meeting, at which a decision can be made by a majority of at least three fourths of the votes validly cast, provided that more than half of the number of members of the supervisory committee are present or represented. The supervisory committee will inform the board if these regulations are adopted or amended.