4C Advisory Board By-Laws

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A Preamble

This by-law sets the rules for the mode of operation of the 4C Advisory Board. It also sets the tasks and organisational details of the regular Advisory Board meetings.

B Proceeding issues

§ 1 Release, change, abolishment and announcement of this by-law

(1) This by-law can be changed or abolished by the 4C Advisory Board any time.

(2) A simple majority of the appointed 4C Advisory Board members is sufficient for resolutions. Abstention from voting is assessed as no-vote. 4C Advisory Board members not attending the meeting are allowed to participate in the meeting and submit their vote by electronic communication (web meeting or teleconference).

(3) This by-law becomes effective after approval by the 4C Advisory Board.

C Tasks and responsibilities

§ 2 Basic principle

(1) The 4C Advisory Board has an advisory function, providing guidance and direction for the management of 4C System GmbH. Decision making should be facilitated based on the expertise of the 4C Advisory Board members in different areas of the coffee sector and civil society. The 4C Advisory Board consults 4C Services in their key fields of competence.

(2) The decisions made within the 4C Advisory Board meetings are not legally binding for 4C but are highly valued and followed in all conscience.

§ 3 Tasks

(1) The 4C Advisory Board meets on a regular basis with the management of 4C System GmbH to review the development of 4C and to elaborate on strategic and major operational issues and the respective implementation measures.

(2) The 4C Advisory Board members fulfill the following tasks:

   (a) Exchange, discuss and advice to support the strategic future-oriented developments of 4C with their specific professional expertise and scientific background

   (b) Monitoring

   (c) Networking and communication with relevant stakeholders and customer groups in the relevant fields of research, civil society, and the private sector to increase the publicity and credibility of 4C.

§ 4 Confidentiality

(1) All contents and topics discussed within the scope of the 4C Advisory Board (within meetings and beyond) are subject to the highest level of confidentiality.

(2) The members of the 4C Advisory Board have the obligation to maintain secrecy regarding confidential information and secrets, namely business or trade secrets, which become known to such members through their activities on the Board. In particular, they shall maintain confidentiality in relation to reports they have received, confidential discussions and all matters discussed in the 4C Advisory Board meetings.

(3) The duty of secrecy also continues beyond the end of the appointment as a member of the 4C Advisory Board.

D Advisory Board members

§ 5 Composition

(1) The 4C Advisory Board contains representatives of the owners and up to twelve additional external members from relevant sectors and regions. 4C key stakeholder groups coffee producers, traders, roasters and brand owners, retailers, and research and civil society organisations should be represented in the 4C Advisory Board.

(2) The composition of the external members should be equally distributed between the different stakeholder groups. An international composition of the 4C Advisory Board shall be intended.

(3) Substitutes will not be permitted, as it is an individual and not a company position that is selected.

(4) The 4C Advisory Board is chaired by an independent Chairperson, and the chairperson is supported by one Vice chairperson. Chairperson and Vice chairperson should be elected by the board members immediately after the formation of the new 4C Advisory Board. Chairperson and Vice Chairperson are elected for a period of three years.

§ 6 Appointment of new members

(1) New members are elected by the 4C Advisory Board with simple majority. Abstention from voting is assessed as no-vote.

(2) The nomination for the 4C Advisory Board is valid for the term of three years. Re-nomination for more than one term is possible.

(3) The 4C Advisory Board members can resign from the position at any time by written notification to the Chairperson.

(4) Board members shall respect and act in accordance with the visions and motives of 4C Certification system.

(5) Any Board member may be only be dismissed for good reason. The competence for any dismissal lies with 4C; any such dismissal further requires a prior approval of the 4C Advisory Board (single majority of the votes cast required).

(6) Board members must be able to communicate in English, the official working language of 4C.

E Advisory Board meetings

§ 7 Frequency of meetings

(1) The 4C Advisory Board should meet at least 1 time in a year in person. Additional meetings are possible, also virtually (e.g. telephone conference or shared screen session) and with specific thematic priorities, in coordination with the Advisory Board members.

(2) 4C invites to the meetings. The invitation should include an agenda for the meeting.

(3) The members of the 4C Advisory Board have the same rights and duties, and equal vote for passing resolutions.

(4) The working language of the 4C Advisory Board is English.

§ 8 Invitation period

(1) Invitations to 4C Advisory Board meetings should be sent out at least two weeks prior to the meeting. Participation in the meetings does not imply any personal liability.

(2) In urgent cases it is possible to invite to extraordinary 4C Advisory Board meetings without respecting the invitation period.

§ 9 Agenda

(1) 4C prepares the draft agenda for the 4C Advisory Board meetings.

(2) The draft agenda is forwarded with the invitation in advance of the meeting

(3) Proposals of 4C Advisory Board members have to be considered.

(4) The agenda of the 4C Advisory Board meeting can be adopted, according to urgent and important requirements.

§ 10 Course of meetings

(1) 4C Advisory Board meetings will be headed by one of ots members. Members will agree on one person at the beginning of the meeting.

(2) At the beginning of each meeting, members shall be reminded that, under applicable antitrust laws, discussions or activities that could restrict competition – such as price-

fixing, market allocation, or sharing sensitive competitive information – are prohibited. Any violation may result in serious legal consequences for both individuals and the organisations. We expect full compliance with these laws at all times.

§ 11 Publicity

(1) 4C Advisory Board meetings are not public.

(2) If required, additional persons may be invited to attend the meeting for specific agenda items.

§ 12 Prejudice

Consultations and decisions affecting a member of the 4C Advisory Board directly or indirectly should be done without the person affected.

§ 13 Decision making

(1) Each 4C Advisory Board member has a seat and a vote.

(2) Voting is done by hand signal in in-person meetings and by online poll in virtual meetings.

(3) Decisions are always based on simple majority. Abstention from voting is counted as no-vote.

§ 14 Minutes

(1) Minutes for each meeting must be prepared, entailing the results of the meeting and decisions made.

(2) The minutes have to be signed by the keeper of the minutes after prior circulation to the participants of the meeting.

(3) Every 4C Advisory Board member receives a copy of the minutes. The minutes have to be kept confidential and should not be handed over to third parties.

F Validity

This by-law becomes effective after circulation and acceptance in the first 4C Advisory Board meeting held in 2020.