

## Statutes

### Fairtrade Foundation Poland

[i.e. as at 15.01.2024 ]<sup>1</sup>

### Preamble

**1** Fair Trade is a movement created by non-governmental organisations, activists and volunteers, consumers and companies for the development of communities of small-scale producers especially from countries of the global South (Africa, Latin America, the Caribbean, Asia and Oceania). The most well-known system of Fairtrade implementation is managed by Fairtrade International.

**2** The International Fair Trade Charter 2018 (p. 11) is the basic document describing the shape and principles of the Fair Trade Movement, agreed by its key participants, in which Fair Trade is defined as follows:

*Fair Trade is a partnership in trade based on dialogue, transparency and respect that seeks greater equality in international trade. It contributes to sustainable development by offering better trading conditions for marginalised producers and workers, particularly in the South.*

*Fair Trade organisations (supported by consumers) are actively involved in supporting producers, raising awareness and campaigning for changes to the rules and practices of conventional international trade.*

**3** The founders of the Fair Trade Coalition align with the Charter of Fair Trade Principles and, by joining this Foundation, share a vision of a world with fair trade relationships based on the principles of sustainable development, through which people, through their work, can provide a decent living for themselves and their families and develop their potential.

### I. General provisions [§1]

**§1.1.[Name and designation]** The name of the Foundation is the Fairtrade Poland Foundation [hereinafter referred to as the Foundation] which, together with the graphic designations of the Foundation, are its personal interests. The graphic designations of the Foundation are approved by the Board. The Foundation may also use, when the full name is not required by law, an abbreviation of the name "Fairtrade Poland", which also constitutes personal interest of the Foundation.

**2.[Founders and duration of the Foundation]** The Foundation has been established for an indefinite period of time, by means of a notarial deed, Repertory A No. 1195/2013 before Paweł Wiater, notary public, in a public notary office in Kraków at ul. Starowiślna 83/5 on 17.6.2013 by the following legal persons conducting activity in the field of Fair Trade and natural persons conducting business activity in the field of Fair Trade, hereinafter referred to as the Founders:

- 1) Agnieszka Bińkowska;
- 2) EcoDevelopment Foundation;
- 3) Dorota Kocurek-Poznańska;
- 4) Centre for Ecological Activities "Sources";
- 5) Polish Humanitarian Action;

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<sup>1</sup> incorporating amendments to RF from resolution RF.01.01.2024

- 6) proFT LTD;
- 7) Maria Monika Stalony conducting business under the name Biosprawiedliwi Maria Monika Stalony;
- 8) Association of Local Creative Centres;
- 9) Union of Associations Polish Green Network.

**3.[Legal Basis]** The Foundation is a legal person and operates on the basis of generally applicable laws, in particular the Act on Foundations of 6 April 1984, the Act on Public Benefit Activity and Volunteerism of 24 April 2003 and hereby Statutes.

**4 [Seat and area]** The Foundation is seated the city of Kraków. The area of the Foundation's activity is the whole territory of the Republic of Poland. The Foundation may operate beyond the borders of the Republic of Poland.

**5[Ministerial supervision]** The Foundation shall be supervised by the minister competent for labour and social security matters. Should the above two governmental departments be split between two ministers, the choice of the supervising minister shall be based on an assessment of the ongoing activities of the Foundation.

**6.[Participation in other entities]** The Foundation may, in accordance with relevant regulations, create other entities, including companies, or agencies and join other entities, in particular associations of non-governmental organisations, both at home and abroad.

**7.[Awards and Prizes]** The Foundation may establish awards and prizes to natural and legal persons of merit to the Foundation, who pursue the statutory objectives of the Foundation both within and outside its activities, as well as who participate in public initiatives organised by the Foundation.

## **II. Statutory activities [§2-4].**

**§2[Objectives of the Foundation]** The Foundation was established to:

- 1) disseminate and promote the idea of Fair Trade, understood as indicated in the Preamble, i.e. to promote entrepreneurship, strengthen local communities and protect human rights and freedoms of both farmers and workers mainly from countries of the global South;
- 2) build recognition and positive image of the Fair Trade concept;
- 3) represent the Fair Trade movement, particularly in Poland;
- 4) support Fair Trade stakeholders;
- 5) support initiatives to ensure the availability of Fair Trade products;
- 6) support research into the functioning of Fair Trade and its impact on producers;
- 7) pursue sustainable development;
- 8) promote, protect and develop consumer rights in terms of ethical marketing, sustainable products and fair competition.

**§3.1.[Scope of means to achieve the objectives]** In order to achieve the objectives laid out in §2, the Foundation may undertake the following activities as part of its statutory public benefit activities:

- 1) activities within and in support of the Fairtrade certification system, including through membership in the Fairtrade International network and the activities described below;
- 2) organisation of public events such as assemblies, concerts, festivals, competitions, exhibitions, fairs;

- 3) organisation of meetings, classes, exercises, training sessions and workshops;
- 4) organisation of seminars, conferences, symposia, lectures;
- 5) organisation of scholarships, exchanges, study visits, internships, placements, including those of an international nature;
- 6) information or promotional activities and campaigns;
- 7) advisory, consultative and opinionizing activities, in particular on solutions concerning commercial practices;
- 8) advocacy;
- 9) building partnerships, clusters and networks of different communities or sectors in Poland and internationally and facilitating networking and cooperation;
- 10) conducting global, development and consumer education for children, youth and adults;
- 11) publishing activities, including press publishing;
- 12) journalistic activities, including running portals, blogs, newsletters;
- 13) organisation of monitoring, research, as well as market and public opinion surveys;
- 14) organisation of excursions, trips, camps and day camps;
- 15) organising charitable events, including organising as well as providing material or financial support to those in need directly or through partners, other NGOs, public institutions, whatever the nature of the need;
- 16) creation and provision of databases of economic operators.

**2.[Scope of form of activities]** In the form of statutory, free-of-charge public benefit activity, the Foundation may carry out activities described in §3 section 1 item 1) - 15), while in the form of statutory, chargeable public benefit activity, activities described in §3 section 1 item 1) - 13) and sales as described in article 8 of the Act on Public Benefit Activity and Volunteerism.

**3. [Statutory activities]** The statutory activities of the Foundation, which are defined by the objectives as set out in §2 and the means of achieving objectives as set out in §3 section 1, constitute public benefit activities as referred to in the regulations of the Act on Public Benefit Activity and Volunteerism and may be carried out by the Foundation in the forms referred to in that Act. The statutory activity of the Foundation, implementing the principle of sustainable development, which is served by the idea of Fair Trade described in the preamble to the Foundation's Statutes, enshrines at least the following spheres of public tasks from article 4 of the above mentioned Act: environmental protection, human rights protection, economic development, development of local communities, consumer rights protection.

**§4[Principles]** The Foundation, in carrying out its statutory activities in accordance with the aims, ways and forms indicated above, shall be guided by the following principles:

- 1) openness to cooperation with public institutions, non-governmental organisations or entities in the business sector, both nationally and internationally, through the creation and implementation of their own projects and through participation in projects and programmes of other entities, including partners;
- 2) transparency and accountability of actions;
- 3) sustainable development.

### III. Business activities [§5]

**§5.1.[Possibility and role]** The Foundation may carry out business activities only as ancillary to its statutory activities, under general principles set out in law subject to the following provisions.

**2. [Decision]** The decision to commence as well as to suspend or terminate business activities rests with the Board. Commencement always requires the approval of the Foundation Board.

**3. [Change of scopes]** The Management Board may amend section 5 and § 3 section 2 of the Statutes, but only in order to change the scope of business activity or the correspondingly permitted free-of-charge public benefit activity, as set out in these paragraphs, insofar as there would be an unlawful conflict between them; the Management Board may also extend or narrow the scope of business activity.

**4. [Opinion]** The validity of the decision of the Management Board under paragraph 3 shall be conditional upon its submission to the Audit Committee to provide opinion. The absence of an opinion within a period of 7 days or the issuing of an opinion fully endorsing the decision of the Management Board within that period shall make it possible for the Management Board to carry out the amendment in accordance with the above provisions.

**5.[Scope of potential business activities]** Business activities may be carried out by the Foundation in the following areas:

- 1) PKD 77.40.Z Leasing of intellectual property and similar products, excluding works protected by copyright;
- 2) PKD 73.11.Z Activity of advertising agencies;
- 3) PKD 70.22.Z Other business and management consulting;
- 4) PKD 63.11.Z Data processing; website management (hosting) and related activities;
- 5) PKD 63.12.Z Activity of Internet portals.

**6.[Required funds]** When undertaking a business activity, the Foundation shall allocate not less than PLN 1,000 from its assets to it.

### IV. Management of the Foundation's assets [§6-7].

**§6.1.[Assets]** The assets of the Foundation consist of its initial fund in the amount of PLN 9000 as well as financial resources, tangible and intangible assets acquired in the course of the Foundation's activities. The Foundation's monetary resources may be organised as internal funds in accordance with paragraph 5.

**2.[Foundation income]** The Foundation's income may come from:

- 1) donations, inheritance and bequests;
- 2) grants, subsidies or subventions;
- 3) public collections or lotteries;
- 4) paid public benefit activities;
- 5) Foundation assets, including:
  - a) from the sale, lease or rental of assets;

- b) from interest on funds in bank accounts or accounts within savings and credit cooperatives held in connection with the activity, including interest on time deposits and other forms of saving, holding or investment;
- 6) business activities once the decision to commence them has been taken in accordance with the Statutes and once the Management Board has entered the Foundation to the Register of Entrepreneurs;
- 7) licence fees resulting from activities as a Fairtrade Marketing Organisation or an organisation with a different status in cooperation with Fairtrade International or other international fair trade organisations, insofar as Fairtrade International or the said other organisations authorise the Foundation to collect them, which are distinguished by their specificity, irrespective of their qualification as public benefit or business activities.

**3 [Inheritance by the Foundation]** In the event that the Foundation is entitled to inherit, the Management Board shall make a declaration of acceptance of the inheritance with the benefit of inventory and only if, at the time of making this declaration, it is clear that the assets of the inheritance significantly exceed the liabilities of the inheritance.

**4. [Allocation of funds]** All income and profits generated by the Foundation shall be allocated exclusively to its statutory activities, which shall not interfere with the possibility of developing business activities, provided that such activities are carried out within the statutory limits. Indirect costs, including overheads, are entirely allocated to the statutory costs, in appropriate proportion or pro rata, insofar as the Foundation also carries out activities other than its statutory public benefit activities, subject to any applicable provisions to the contrary.

**5. [Management and accountability]** The Management Board shall be responsible for and shall maintain its financial management and accounting records in accordance with generally applicable law. In addition to the initial fund, the Board may establish, use and liquidate appropriate funds within the statutory fund of the Foundation, in order to improve the management of the assets of the Foundation, in particular by organising funds for public benefit statutory activities within the statutory fund, or by creating special purpose funds to pursue specifically indicated statutory purposes or types of statutory activities, including acting as resources and reserves for future public benefit statutory activities. The Foundation is liable for its obligations with all its assets.

**6. [Insolvency]** In the event that the Management Board determines that the Foundation is insolvent, it shall, within 21 days, lodge information on the state of affairs with a request for the liquidation of the Foundation to the Council of the Foundation, and in a copy send everything to the Audit Committee. In the absence of a decision by the Council on liquidation within 5 days of the expiry of the aforementioned 21-day period, each member of the Board acquires the statutory right to submit an application for the liquidation of the Foundation themselves. In the situation referred to in the preceding sentence, §19 shall not apply with the exception of its section 3. The above provision shall not apply to the extent that the Foundation will be affected by generally applicable laws regulating the situation of insolvency of a legal entity and related matters, and the above provision would be in conflict with such regulations.

**§7. [Restrictions on disposal of assets]** The Foundation may not undertake activities consisting in:

- 1) granting loans or securing liabilities with the Foundation's assets in relation to the members of the Foundation's bodies or to the Foundation's employees, as well as to persons with whom

the Foundation's members or employees are married or in cohabitation, or in a relationship of kinship or affinity in a direct line, kinship or affinity in a collateral line to the second degree, or are related by adoption, custody or guardianship, hereinafter referred to as "related persons";

- 2) transferring the assets of the Foundation for the benefit of the members of the bodies or employees of the Foundation and their relatives, on basis other than in relation to third parties, in particular if the transfer is made free of charge or on preferential conditions;
- 3) using the assets of the Foundation for the benefit of the members of the bodies or employees of the Foundation and their relatives on basis other than in relation to third parties, unless this use results directly from the statutory objective;
- 4) the purchase of goods or services from entities in which members of the Foundation's bodies or employees participate, or from their relatives, on basis other than in relation to third parties or at prices higher than market prices.

## **V. Bodies of the Foundation [§8-16].**

### **[Foundation Bodies]**

**§8.1.[Bodies and their meetings]** The bodies of the Foundation are the Council of the Foundation [hereinafter also the Council], the Audit Committee [hereinafter also the Committee] and the Management Board of the Foundation [hereinafter also the Board]. The organs of the Foundation shall hold meetings when necessary. Invited guests may attend the meetings. A meeting of a body may be convened independently by any member of that body. Meetings of the Council may also be convened by the Audit Committee or the Board, taking into account §13, section 1, item 8 and §16, section 1, item 10 respectively. Council meetings and meetings of the Committee shall be convened at least at 14 days notice prior to the planned date of the meeting. The notice period may be shortened if all members of the body agree.

**2.[Restriction of Committee membership]** Members of the Audit Committee:

- 1) may not be members of the Management Board or be related to them by marriage, cohabitation, consanguinity, affinity or professional subordination;
- 2) have not been convicted by a final judgment for an intentional crime prosecuted by public indictment or a fiscal crime.

**3.[Restriction of membership in the Board and the Council]** Members of the Board and the Council of the Foundation may not be persons who have been convicted for an intentional crime prosecuted by public indictment or a fiscal crime.

**4[Term of office and expiry of mandate]** Members of the Foundation's bodies shall be appointed in accordance with §10, 12 or 14 respectively for joint terms of office. One may serve more than one term of office. The terms of office of members of the bodies shall expire as a result of:

- 1) dismissal, resignation or the discontinuation to meet the conditions of paragraph 2 or paragraph 3;
- 2) death;
- 3) other cases specified by law;
- 4) the expiry of the term of office, except that the term of office shall expire on the last day of the calendar year within which the expiry date falls.

**4a.** In the event of resignation by a Board member, as a result of which the Board would not have the minimum number of Board members as specified in §14 item 1, the Board member, in order for the resignation to be effective, is entitled and obliged to convene a meeting of the Foundation's Council in order to elect new Board members.

**5. [Salaries and Expenses]** Members of the Foundation's Bodies may be reimbursed for reasonable expenses associated with serving within the body on a volunteer basis and, in the case of the Board and the Committee, also receive remuneration for their functions in these bodies, whereby:

- 1) The above remuneration shall be determined by the Council as it deems appropriate;
- 2) the remuneration of members of the Committee may not exceed the amount of the average monthly remuneration in the business sector as published by the President of Statistics Poland (Główny Urząd Statystyczny) for the previous year and shall be made conditional by the Council on attendance at meetings of the Committee and participation in the ballot;
- 3) The Council and the Committee shall, before approving the reimbursement of reasonable expenses to their members upon their request, and the Council itself shall, before setting the remuneration as well as amending it, consult the Board with regard to the Foundation's capability to finance them;
- 4) the detailed rules of reimbursement of reasonable expenses to members of the Foundation's bodies may be laid down by those bodies in their respective rules of procedure, the obligation to consult under point 3 applying *mutatis mutandis*;
- 5) The Management Board should give its opinion on the reimbursements incurred as well as on the remuneration referred to at the outset at least once a year, point 3 applying *mutatis mutandis*.

**6. [Principle of Communication]** In the matters of the Foundation, including the conduct of meetings of the bodies or passing resolutions by circulation, in addition to direct communication, including at a distance in real time, communication shall be adopted, as a rule, in documentary form through electronic mail, using the addresses indicated by members of the statutory bodies, which they should immediately update to the Foundation in the event of changes. With regard to the documentation of declarations of intent and decisions made by statutory bodies in electronic form, the use of electronic signatures, including generally available trusted signatures, is recommended at the Foundation. Possible deviations from the indications of the preceding sentences, in particular with regard to the technical (including IT) and organisational aspects of conducting votes, meetings and documentation of the work of the bodies, shall at the same time ensure at least a similar degree of reliability of the processes and documentation and be included in the relevant rules of procedure. The above is without prejudice to §9(4).

**7. [Bylaws of organs]** The technical and organisational details of the conduct of votes and meetings and other aspects of the conduct and documentation of the work of the organs, the organs of the Foundation may determine at their discretion in their bylaws, which must be in accordance with the hereby Statutes. With regard to circular voting, while complying with the Statutes, rules of procedure for all bodies shall be adopted by the Management Board after consultation with them.

**8. [Principle of accountability]** The members of the Foundation's bodies shall be accountable to the Foundation in accordance with the rules of common law, in particular those governing organisations

with the status of public benefit organisations, for the observance of the law, the Statutes, rules of good conduct, as well as the avoidance of conflicts of interest in the performance of their functions.

**§9.1.[Conditions for the validity of resolutions]** Resolutions of the organs of the Foundation, subject to the provisions of the Statutes to the contrary, shall be passed unanimously in the presence of at least half of the members of the organ, and if unanimity cannot be achieved, decisions shall be passed by a simple majority of votes in the presence of at least half of the members of the organ. In the event of a tie, the chairman or president of the body concerned shall have the casting vote. Casting a vote means voting by declaring "for", "against" or "abstain". Each member of the body has one vote. In personnel votes, the member concerned shall not vote. In votes for removal from office in the body, more than one member of the body shall not be included in the resolution.

**(2)[Circulation procedure]** Any member of the body concerned or an authorised body may initiate a circulation vote by submitting a draft resolution to a vote under this procedure, whereby the following shall apply:

- 1) for a vote by circulation to be valid, the draft resolution must be sent to all the members of the body, an absolute majority of the votes of the members of the body, effectively cast, must be obtained within the period indicated in the following sentence;
- 2) the vote shall end within 7 days of the proposal being put to the vote or when all the members of the body have cast their votes;
- 3) the deadline may be shortened by the initiator of the vote if all members of the body agree. Participation in a vote with an abbreviated time limit shall be deemed to constitute consent;
- 4) if the statutes require a higher majority, such provision shall apply mutatis mutandis, counting such majority in respect of all the members of the body;
- 5) the opening of a vote shall be preceded by a discussion of the subject of the resolution in any formula that allows every member of the body to speak;
- 6) the method of voting should prevent unauthorised persons from voting and the possibility for a member of the body to confirm their vote;
- 7) the Board's initiative for resolutions and other requests of the Board may also be submitted to the Foundation Council and the Audit Committee, respectively, by a person authorised by the Board from outside its composition.

**(3)[Public vote]** Voting shall in principle be public unless a member of the body requests a secret vote. A request for a secret vote may only be made in a circular vote if the technical or IT and organisational means used by the Foundation for such votes ensure that a secret vote is possible. In the course of a meeting held by means of real-time remote communication, the submission of a request for a secret ballot shall block the possibility of voting, unless the means of communication ensure that a secret ballot can be held. In the latter case, a secret ballot shall be presumed to be ensured if at least the members of the body voting by secret ballot do not have technical access to information on the votes cast by the other members of the body.

**4. [Documentation]** Resolutions of the organs of the Foundation and the course of votes and meetings of the organs shall be recorded at least in documentary form. Failure to record them shall not render them invalid. The recording is the responsibility of the chairman or president of the body and the person indicated in the resolution passed by circulation or the person indicated by the body at the meeting.



**5 [Exclusion of the provisions of the Act]** The provisions of article 10, paragraph 1a-1c of the Law on Associations in connection with paragraph 1d and article 5, paragraph 1a of the Law on Foundations shall not apply. Voting by circulation as well as meetings by means of electronic communication shall take place in accordance with the provisions of these Statutes.

**[Council of the Foundation]**

**§10.1 Council of the Foundation:**

- 1) **[Genesis]** is the former Supervisory Board of the Foundation, the first composition of which consisted of persons designated one by each of the Founders. With the change into the Foundation Council, the Supervisory Board ceases to be the auditing body of the Foundation;
- 2) **[Composition, term of office and expiry of mandate]** shall consist of at least 3 persons whose term of office shall be 5 years, subject to §20;
- 3) **[Appointment]** The members of the Council shall be appointed by the Founders, but only one person each. The Council may also appoint to its membership persons who make a significant contribution to the promotion of the Fair Trade idea and the development of the Fair Trade movement;
- 4) **[Removal]** The Founder may at any time, without stating a reason, dismiss a member of the Council designated by them. Any member of the Council may also be dismissed by the Council, but only for reasonable cause, which must be explained to the dismissed person and communicated to the Founder if it was the Founder who appointed the person;
- 5) **[Functions]** shall elect a Chairman from among themselves, who may designate a Vice-Chairman, subject to §20;
- 6) **[Council member proxy]** allows a Council member to act at a Council meeting through a proxy. The proxy may represent only one Council member and must submit a power of attorney in writing and a declaration that the proxy meets the requirements for Council members under the Statutes. The Council member shall notify the Council of the reasons for the need to use a proxy.

**§11.1.[Powers of the Foundation Council]** The tasks and powers of the Council of the Foundation include:

- 1) delivering opinions on its own initiative on Foundation matters, in particular on its statutory activities;
- 2) giving its opinion or approval, accordingly to a proposal from the Management Board or the Committee, on matters submitted by these bodies which relate to the activities of the Foundation, such as:
  - a) draft decisions of the Management Board;
  - b) decisions taken by the Management Board.
- 3) making proposals to other Foundation bodies, including for taking a position;
- 4) request explanations from other Foundation bodies on matters of importance to the Foundation's activities;
- 5) determining the remuneration of the members of the Management Board and the Committee for their functions on the bodies in accordance with §8.5;
- 6) appointing and removing members of the Management Board;
- 7) appointing and removing members of the Committee;

- 8) the granting of permission to start business activity in accordance with §5 para. 2.
- 9) amendment to the Statutes, including the objectives of the Foundation, as well as the decision to liquidate it or merge it with another foundation;
- 10) to carry out tasks and functions under the policies adopted by the Management Board as referred to in §16(1)(9), insofar as they provide for the active participation of the Council, subject to the Council's favourable opinion.

**(2)[Opinion and approval procedure]** The opinion and approval referred to in paragraph (1) shall be given without undue delay and no later than 30 days after the submission referred to in the above provisions. Upon expiry of the time limits, the Management Board or the Committee may proceed with the matter and the silence of the Board shall indicate a favourable opinion or, as the case may be, an approval. A negative opinion or a refusal to give approval shall be accompanied by a statement of reasons.

#### **[Audit Committee]**

##### **§12.1** Audit Committee:

- 1) **[Position]** is an auditing and supervisory body of the Foundation, separate from the governing body and not subordinate to it in the exercise of its powers, the members of which fulfil their tasks personally;
- 2) **[Composition, term of office and expiry of mandate]** shall consist of at least 2 and not more than 5 persons appointed for a 4-year term by the Council.
- 3) **[dismissal]** for good cause may be dismissed in its entirety, as well as individual members may be dismissed by the Council, which shall provide the dismissed members, the Committee and the Management Board with an explanation of the reasons for the dismissal;
- 4) **[Functions]** shall elect a Chairman from among its members. The Chairperson of the Committee may designate a Vice-Chairperson.

**(2)[Exercise of the Committee's tasks]** The Committee may authorise any of its members to carry out audits, request explanations and make recommendations to the Management Board in connection with the audits initiated by the Committee.

##### **§13.1.[Powers of the Committee]** The tasks and powers of the Committee include:

- 1) auditing the activities of the Foundation at least once a year and present the results to the Council and in the form of information or recommendations to the Board;
- 2) assessing the proper use of the Foundation's assets and funds;
- 3) giving opinions on Foundation matters on its own initiative and make proposals to other Foundation bodies;
- 4) giving its opinion or approval on matters requested by the Management Board, in particular financial plans, activities or reports of the Foundation;
- 5) approving the Foundation's accounts, with approval by a single resolution provided that no member of the Committee objects;
- 6) implementing the indications for action given by the Council;
- 7) **[representation vis-à-vis Board members]** representation of the Foundation vis-à-vis its Board members in their contracts and disputes, with the exception of donations to the Foundation, through:

- a) the Chairman of the Committee or any other member of the Committee whom the Committee authorises,
  - b) or a proxy authorised by the Committee, which may also be a member of the Management Board;
- 8) in situations justified by the Foundation's interests, to convene meetings of the Council and to submit draft resolutions to the Council for a vote;
- 9) to carry out tasks and functions under the policies adopted by the Management Board as referred to in §16 (1) (9) insofar as they provide for the active participation of the Committee, subject to the Committee's favourable opinion.

**2. [Opinion and approval procedure]** For the opinion of and approval by the Committee from paragraph 1 (4), §11 (1) (2) as well as §11 (2) shall apply respectively.

**(3) [Significance of a refusal or negative opinion]** The refusal to give approval, a negative opinion or the silence of the Committee shall not deprive the Management Board of the possibility to act, with the proviso that if the Management Board takes up or continues to take up a subject for which the Committee has refused approval or has given a negative opinion, the Management Board shall be obliged to give reasons for its action in this respect and to inform the Council of everything.

**[Management Board].**

**§14.** The Management Board:

- 1) **[Composition, term of office and expiry of mandate]** consists of 1-3 persons, appointed by the Council for a term of 3 years;
- 2) **[Dismissal]** for good cause may be dismissed in its entirety or its individual members may be dismissed by the Council, which shall provide the dismissed members, the Management Board and the Committee with an explanation of the reasons for the dismissal;
- 3) **[Functions]** may have a President, who is elected by the Board, and may also elect 1-2 Vice-Presidents from among themselves. If a President is appointed, his task is to direct the work of the Board; if both types of functions are appointed, the task of the Vice-Presidents is to deputise for the President in directing the work of the Board when necessary. The specific powers and competences of the President set out in the Statutes do not apply to the Vice-Presidents;
- 4) **[Powers of the Board]** is the governing body of the Foundation, which manages and represents the Foundation, subject to further provisions in the Statutes, including §15(1) and §16(1);
- 5) **[Management of affairs by members of the Management Board]** shall manage the affairs of the Foundation collectively, making decisions in the form of resolutions, with the proviso that:
  - a) Each member of the Board has the right and duty to manage the Foundation's affairs,
  - b) The President of the Management Board may independently conduct, without a prior resolution of the Management Board, matters which do not exceed the scope of the ordinary activities of the Foundation, including those of an identifiable value up to and including PLN 100,000 (in words: one hundred thousand zlotys), or concerning the accession of the Foundation to other entities, unless it concerns taking up shares in commercial law companies,
  - c) The President of the Management Board may, without a prior resolution of the Management Board:
    - i) authorise another member of the Board to conduct matters which do not exceed the scope of the ordinary activities of the Foundation,

- ii) authorise a third party to carry out specific or at least generic matters not exceeding the scope of the Foundation's ordinary activities,
- d) The Management Board may, subject to point (f), determine by resolution the types of action
  - i) considered to be acts which exceed the ordinary activities of the Foundation,
  - ii) which it excludes from the powers under point b and, in effect, point c,
- e) by resolution the Management Board may amend or revoke the authorisations granted by the President under point c, as well as grant such authorisations,
- f) if, before a matter referred to in point b or c respectively is dealt with, even one of the other members of the Management Board objects, a prior resolution of the Management Board shall be required,
- g) The method of representation of the Foundation by the members of the Management Board is defined in the representation rule in §15 section 1.

**§15.1.[Principle of representation]** The Foundation may be represented by any member of the Board in all matters, including making declarations of knowledge, as well as declarations of intent, performing judicial and extrajudicial actions and granting powers of attorney, accepting declarations made to the Foundation and service of letters to the Foundation, subject to points 1-2:

- 1) joint representation of at least 2 members of the Management Board is required when making declarations of intent in property matters with an identifiable value in excess of PLN 100,000 (in words: one hundred thousand zloty), and when granting powers of attorney for representation in such matters;
- 2) the above stipulation in the case of a one-person Board does not limit it from representing the Foundation independently.

**2. [Conflict of interest]** The Board and its members individually shall take special care to prevent conflicts of interest within the Foundation as referred to in §8, section 8. The prevention of conflicts of interest in contracts and disputes relating to the affairs of Board members with the Foundation is served by the exclusive competence of the Committee to represent the Foundation vis-à-vis Board members in accordance with §13, section 1, item 7, which excludes the application of §14, section 4 and §15, section 1.

**§16.1. [Powers of the Board of the Foundation]** The tasks and powers of the Management Board include, within the framework of the general powers of §14.4:

- 1) directing and managing of the day-to-day operations, finances, cooperators and powers of representation of the Foundation of those not acting under the principle of representation;
- 2) ensuring conditions for the effective achievement of the Foundation's statutory objectives, including overseeing the implementation of the Foundation's statutory objectives and the compliance of its activities with the Statutes;
- 3) Strategic management of the statutory activities, possibly business activities (if undertaken), assets and funds of the Foundation;
- 4) deciding on undertakings and projects implemented and supported by the Foundation, and selecting partners for these undertakings and projects;
- 5) setting employment policies, including the size of the workforce, work and pay conditions, rules of cooperation with collaborators on civil law contracts and the conditions of cooperation of the Foundation's volunteers, including:
  - (a) performing labour law activities;

- (b)** auditing and supervising staff of the Foundation and other contractors of projects carried out or supported by the Foundation and to enforce the effective and timely fulfilment of the tasks set before them;
  - (c)** creating a friendly working environment for those implementing the Foundation's undertakings and projects and for volunteers;
- 6)** drawing up the Foundation's technical and financial reports and submitting them to the Committee for scrutiny and approval, and making them public by publishing them on the Foundation's website;
- 7)** approving the Foundation's graphic designations pursuant to §1, para. 1. as well as translating of the name into foreign languages;
- 8)** deciding upon matters not provided for in the Statutes for the competence of other Foundation bodies, including the adoption of policies, rules of procedure and other internal acts;
- 9)** making proposals on Foundation matters to other bodies, including amendments to the Statutes, including changes to its objectives, changes to the composition of its bodies, merger with another foundation or liquidation of the Foundation;
- 10)** in situations justified by the Foundation's interests, convening meetings of the Council and submitting draft resolutions to a vote of the Council.

**2. [Board responsibility and discharge] Management Board:**

- 1) is accountable to the Council and to the Committee for the fulfilment of the statutory aims of the Foundation, the conduct of its activities and the management of its assets in a reliable, expedient and economic manner, in compliance with the standards of due diligence, with the hereby Statutes, with the internal acts of the Foundation and with generally applicable law.
- 2) and each of its members shall be granted discharge for the Foundation's relevant reporting year from the simple fact that the Committee has approved the Foundation's financial statements and its substantive report. Discharge implies a positive assessment of the actions of the members of the Management Board and the Management Board itself on the basis of the requirements under point 1. The Committee may in a separate resolution make an objection to this presumption, accompanied by a statement of reasons.

The above provisions are to be interpreted in accordance with and taking into account the provision in §8.8.

**VI. Change, liquidation, merger [§17-19].**

**§17.1. [Amendment of the Statutes and Objectives]** The Statutes, including the objectives of the Foundation, may be amended by the Council on its own initiative or at the request of another body of the Foundation by a resolution passed by a majority of  $\frac{2}{3}$  of the votes of the members of the Council. The Council shall obtain the approval of the Board for the amendment. The procedure for obtaining the approval of the Board, the meaning and the Council being bound by the refusal of the Board's approval or its silence shall be governed by §13 sections 2 and 3 respectively.

**2.** Following an amendment to the Statutes, §9.4 shall apply mutatis mutandis to the preparation of the unified text, with the proviso that its conformity with the amendments shall be confirmed by the Chairman of the Council of the Foundation or another member thereof designated by the Council and

by the President or another member of the Board. It applies mutatis mutandis when the Statutes are amended by giving it a new wording in its entirety.

**§18.[Merger with another foundation]** The Foundation may merge with another foundation in order to effectively pursue its objectives provided that the objectives of the Foundation are not substantially changed as a result of the merger. A decision in this respect may be shall by the Council, applying §17 accordingly, including the approval of the Board.

**§19.1.[Liquidation of the Foundation]** The Foundation shall be liquidated when the objectives for which it was established have been achieved or when its financial resources and assets have been exhausted. The decision to liquidate the Foundation shall be made by the Council, applying §17 accordingly, including the approval of the Board.

**2.**The resolution on liquidation shall indicate the liquidator of the Foundation and the allocation of the funds and assets remaining after liquidation for the benefit of entities carrying out activities convergent in part or in whole with the objectives of the Foundation. In the case of more than one liquidator, the resolution shall indicate the principle of representation.

**3.**If the Council does not appoint a liquidator, the liquidation shall be carried out by the members of the Management Board, who shall become liquidators by virtue of the Statutes and shall act according to the principle of representation as for the Management Board.

**§20.1.[Transitional provision]** Once the information about the amendments to the Statutes of January 2024 are entered into the National Court Register (Krajowy Rejestr Sądowy), the terms of office of the current Foundation Council, Audit Committee and Management Board shall be extended in such a way that the terms of office already treated as joint terms of office are counted anew according to the new provisions of the Statutes.

**(2)** The new provisions of §6 (1) and (5) on the organisation of funds introduced by the Council into the Statutes of the Foundation in January 2024 shall not interfere with the recognition of the competence of the Board to organise funds in the period prior to the introduction of this provision.

**(3)** All members of the Supervisory Board and of the Management Board who hold office at the time of the amendments to the Statutes being entered into the National Court Register introducing the Council of the Foundation, shall become members of the Council of the Foundation by virtue of the Statutes and shall remain members of the Management Board, respectively, and their term of office shall be counted anew in accordance with the new provisions of the Statutes. The same shall apply to the Chairman of the Supervisory Board, who shall become, by virtue of the Statutes, the first Chairman of the established Council of the Foundation, and so shall the current President of the Management Board, respectively.

**§21.[Feminine endings]** Whenever a term in the masculine or feminine genus is used in the Statutes or other documents of the Foundation, it also means that term in the feminine or masculine genus.

Text as amended by resolution of the Council of the Foundation dated **15.01.2024.** , which they hereby acknowledge:

Chairman of the Foundation Council

President of the Board