

**Prespa Ohrid Nature Trust**  
**("PONT" or the "Foundation")**

**By-laws (Geschäftsordnung) for the Supervisory Board**

**§ 1 Amendments of the By-Laws**

- (1) As provided in § 11 para. (3) a) (i), § 12 para. (5) of the charter of the Foundation (the "Charter"), these by-laws were originally adopted by Qualified Majority resolution of the Supervisory Board.
- (2) The Supervisory Board may amend and add to these by-laws at any time by Qualified Majority resolution as provided in the Charter (§ 12 para. (5)).

**§ 2 Membership of Board-elected (kooptierte) Supervisory Board Members**

If the Supervisory Board elects members who are representatives of government or semi-governmental organizations in the Focus Region, such board-elected members shall represent less than half of the members of the Supervisory Board.

**§ 3 Duties of the Supervisory Board**

- (1) Regarding the duties of the Supervisory Board reference is made to § 11 of the Charter. A Qualified Majority resolution of the Supervisory Board is required for the matters listed in § 12 para. (5) of the Charter.
- (2) Among other things, the Supervisory Board establishes and amends the Management Board by-laws. In doing so it acts by majority resolution, except as to: the definition of the Focus Area for the Foundation's grant-making activity; items requiring Supervisory Board approval; and mission statement. As to these matters it acts by vote of a qualified majority.
- (3) In exercising its authority under the Charter to expand the "Focus Area" in the Management Board by-laws beyond the Wider Prespa Area, the Wider Ohrid Area, and the Korab-Shara/Albanian Alps Transboundary Conservation Area including ecological corridors between these areas, the Supervisory Board will only do so under the conditions prescribed in the Charter.
- (4) Accordingly, the Supervisory Board has approved the following as the mission statement of the Foundation:  
"Conserving nature for a sustainable future in the Prespa-Ohrid ecoregion through long-term partnerships and financing"

**§ 4 Committees**

- (1) In accordance with § 12 para. (9) of the Charter, the Supervisory Board may establish any committees that it considers needed for more effectively or efficiently carrying out the Foundation's business. For example, the Supervisory Board may establish a Finance Committee or a Grants and Technical Committee.
- (2) A committee has to consist of at least one member of the Supervisory Board and at least one outside expert/advisor appointed by the Supervisory Board.
- (3) In accordance with § 12 para. (10) of the Charter, a committee is entitled to invite Management Board members as well as outside experts and advisors (information persons) to its meetings in order to take part in its deliberations. Supervisory Board members who are not committee members are also entitled to join the committee meetings.

## **§ 5 Supervisory Board Meetings and Resolutions**

- (1) The Supervisory Board shall be convened for meetings pursuant to § 12 para. (2) of the Charter.
- (2) The president of the Supervisory Board determines in each case if the Supervisory Board passes its resolutions in accordance with § 12 para. (1) of the Charter (i) in physical meetings, (ii) otherwise (x) in virtual meetings, (y) in a combination of physical and virtual meetings or (z) in circular voting procedures (which may be obtained by electronic means), or, with consent of all incumbent members of the Supervisory Board, (iii) on any other occasion and by any other voting procedures. In case of physical or combined physical and virtual meetings, Supervisory Board meetings shall be held in Offenbach am Main (Germany), Frankfurt am Main (Germany), Gland (Switzerland), Lausanne (Switzerland), Geneva (Switzerland) or any city located in the Focus Region as determined by the president of the Supervisory Board, it being understood that (i) there shall be no more than one Supervisory Board Meeting per year in the Focus Region unless all members of the Supervisory Board consent, and (ii) board meetings shall be held in one of the aforementioned cities as needed to assure sufficient contacts for legal and tax purposes.
- (3) Regular meeting dates shall be agreed as far as possible in advance. Insofar as possible, an agenda for the meeting shall be sent at least two weeks prior to the meeting. The matters listed on the agenda shall be presented suitably in advance of Supervisory Board meetings by the president (assisted by the Executive Director) to the Supervisory Board members in the form of proposals and requests, and at least five days prior in the case of ordinary meetings of the Supervisory Board. The notification of a meeting as well as proposals and requests shall be sent to all members of the Supervisory Board in writing (i.e. by signed letter or fax copy or electronically scanned copy of a signed letter), electronically by e-mail (with or without attached word-, pdf- or tif-files or other files that are accessible to all members of the Supervisory Board) or other electronic means in textual form, or by any combination of any two or more of the foregoing. Each Supervisory Board member has a right to require that the Supervisory Board meeting's agenda be expanded to cover further matters beyond

those that are set forth on the agenda. Such a request must be made at least five days before the meeting unless the degree of urgency justifies shorter notice.

- (4) The members of the Supervisory Board may unanimously waive any statutory provisions or provisions of the Charter or of these by-laws for the convening of a meeting and/or passing of a resolution of the Supervisory Board (e.g. regarding the notification-period, the form of notification, the requirement to submit the agenda and any proposals and requests or the place of a physical meeting). Attendance and participation in a meeting shall be deemed an implied waiver.
- (5) Supervisory Board meetings shall be presided over by the president. The president shall be supported by the Executive Director of the Management Board unless otherwise decided by the president or the Supervisory Board. The president shall decide on the order in which matters on the meeting agenda will be discussed. The president may invite people who are not members of the Supervisory Board to attend a Supervisory Board meeting, for the purpose of providing advice or information on particular issues in accordance with § 12 para. (10) of the Charter.
- (6) The Supervisory Board shall be authorized to pass a resolution in all matters for which a resolution by the Supervisory Board is prescribed by law, the Charter or these by-laws, in particular regarding the matters listed in § 3 above and matters that require consent by the Supervisory Board according to § 8 of the by-laws for the Management Board.
- (7) Board members who are unable to attend a meeting may designate another member of the Supervisory Board in accordance with § 10 para. (9) of the Charter.
- (8) The minutes of the meetings of the Supervisory Board shall include the location and date of the meeting, the persons attending, the agenda, and the wording of the resolutions passed. Resolutions of the Supervisory Board passed by circular voting procedures in accordance with § 12 para. (1) (ii) (z) of the Charter or on another occasion by another voting procedure pursuant to § 12 para. (1) (iii) of the Charter shall also be recorded in minutes. The recording and preservation of the minutes of Supervisory Board meetings and resolutions is to be ensured by the president with the support of the Management Board.
- (9) If the president is unable to carry out his/her duties, the duties for which he/she is responsible in accordance with this § 5 shall be carried out by the vice-president or, if a vice-president has not been appointed by the Supervisory Board, by the member of the Supervisory Board appointed by the president to carry out the tasks involved. If the president has not appointed any other Supervisory Board member as his/her deputy, or if the appointed Supervisory Board member – or the vice-president – is also unable to carry out the duties concerned, the duties shall be performed by the longest serving Supervisory Board member.

## **§ 6 Duty of Confidentiality, Transparency**

(1) During their respective term as a board member and at any time thereafter, the members of the Supervisory Board owe a duty to the Foundation that they, subject to paragraphs (2) and (3) below,

- shall not to disclose any Proprietary Information (as defined below) to any third party and shall not allow any third party to access any Proprietary Information (as defined below) or to gain knowledge of Proprietary Information, and
- shall not to use Proprietary Information (as defined below) for their own respective benefit or for the benefit of a third party.

The term "Proprietary Information" shall mean any and all information that a member of the Supervisory Board has learnt in the course of his/her activities on behalf of, or relating to, the Foundation or its bodies about

- the discussions made within any of its bodies (including, without limitation, positions discussed at meetings of its bodies or the voting by individual members of its bodies),
- the resolutions taken or not taken within any of its bodies, except to the extent that the result of such resolutions are not intended for communication to third parties, or
- the Foundation including, without limitation, its affairs and relationships.

(2) The confidentiality obligations of a member of the Supervisory Board shall exclude Proprietary Information if and to the extent that:

- (a) it was already in the public domain when the Supervisory Board member obtained knowledge of it;
- (b) through no action of the respective Supervisory Board member, it has become available in the public domain after the Supervisory Board member obtained knowledge of it;
- (c) the Supervisory Board member (i) verifiably already had prior knowledge thereof obtained outside the course of his/her activities on behalf of, or relating to, the Foundation or its bodies and (ii) has a legitimate interest in continuing to use such Proprietary Information in a role outside the Foundation;
- (d) the Supervisory Board member lawfully obtained knowledge thereof (i) independently from the course of his/her activities on behalf of, or relating to, the Foundation or its bodies and (ii) from a source other than the Foundation or its bodies;
- (e) the respective member of the Supervisory Board owes a legal obligation under statutory law or pursuant to a decision of a court or an administrative order by a governmental authority to disclose the Proprietary Information; or

- (f) the respective member of the Supervisory Board uses the Proprietary Information in any legitimate way in defending himself/herself before court, or in a dispute outside court, against any allegation by the Foundation that such member breached its obligations towards the Foundation.
  - (g) the respective member of the Supervisory Board uses the Proprietary Information in any legitimate way in informing a donor about the affairs of the Foundation or a grantee about matters relevant to it as a grantee or to a particular grant.
- (3) The Supervisory Board may resolve at any time
- (a) by simple majority of the votes (§ 12 para. (4) of the Charter) that the Foundation may disclose certain Proprietary Information for a certain purpose and/or to certain addressees,
  - (b) by Qualified Majority (§ 12 para. (5) of the Charter) that
    - a member of the Supervisory Board be released from his/her duty of confidentiality under this § 6 or
    - a member of the Management Board be released from his/her duty of confidentiality under § 10 of the by-laws for the Management Board,
- in each case with respect to certain Proprietary Information and/or for a certain purpose.
- (4) Foundation documents that members of the Supervisory Board have received from the Foundation in the course of performing activities on behalf of the Foundation as members of the Supervisory Board are to be returned to the Supervisory Board upon the Supervisory Board's request.
- (5) Subject to the confidentiality obligations set forth above, the Supervisory Board's decision-making processes and the communication of the results of its resolutions shall be based on the principle of transparency.

## **§ 7 Conflicts of Interest**

- (1) A potential "conflict of interest" shall be deemed to exist whenever a Supervisory Board member, directly or indirectly, is in a position to approve or influence decisions or actions of the Foundation from which such board member would derive an individual economic benefit, or is affiliated with someone who would derive an economic benefit.

A Supervisory Board member shall be deemed to be "affiliated" with an entity if such Supervisory Board member:

- a) serves as a member of a governing body of the entity,
- b) serves as an officer or employee of the entity;
- c) has a material economic relationship with the entity; or

- d) if the person's spouse, parent, sibling, child, or member of the immediate household, holds such a position or has such a relationship.
- (2) Each Supervisory Board member shall disclose to the Supervisory Board any relevant interest which may pose conflict of interest concerns. Disclosure shall include the existence of any economic, financial or other interest in, or affiliation with, any corporation, organization or partnership that provides professional or other services to the Foundation. When any matter comes before the Supervisory Board or any committee of the Supervisory Board in which a Supervisory Board member has such an interest, such interest shall be disclosed to the Supervisory Board immediately. Whenever a Supervisory Board member is unsure as to whether a conflict of interest or any affiliation exists, such board member shall disclose the relevant facts to the Supervisory Board, and shall abide by the decision of the Supervisory Board as to the existence of a conflict of interest or an affiliation.
- (3) No Supervisory Board member shall vote on, or participate in the decision-making process of, any matter in which such Supervisory Board member has an interest (as defined above) subject to a resolution of the Supervisory Board adopted with Qualified Majority (§ 12 para. (5) of the Charter) that allows such member to vote and/or to participate. The Supervisory Board may, by majority vote of the non-interested members, ask any interested Supervisory Board member in any matter before the Supervisory Board, not to participate in the Supervisory Board's deliberations on such matters and to leave the meeting when such matters are discussed and voted on; provided, that, the interested Supervisory Board member may participate in any discussion regarding such Supervisory Board member's exclusion. No individual or entity with which a Supervisory Board member is affiliated shall receive any special consideration by the Supervisory Board, and no Supervisory Board member shall attempt to influence other Supervisory Board members regarding matters before the Supervisory Board in which they are interested, without first disclosing that interest to the full Supervisory Board. If any contract or grant is presented to the Supervisory Board in which a Supervisory Board member has an interest, or is affiliated with a contract party, a committee composed of non-interested Supervisory Board members shall be formed to review, and approve or reject such contract or grant.
- (4) All Supervisory Board members shall be subject to such additional policies on conflict of interest, as the Supervisory Board from time to time may adopt.