

**Statute of the
„Baltic Sea Conservation Foundation“**
dated 24.08.2022

- unofficial translation -

Preamble

Out of respect for nature, the ecological stability of the Baltic Sea shall be restored and, if possible, strengthened. Any use of the Baltic Sea has to consider this. The protection and improvement of the Baltic Sea's ecological situation is an urgent concern for the foundation.

§ 1 Name, legal form, seat

1. The foundation bears the name “Baltic Sea Conservation Foundation”.
2. The foundation exists under civil law and has legal capacity.
3. The foundation has its seat in Rostock (Mecklenburg-West Pomerania).
4. The foundation has its head office inside Germany.

§ 2 Purpose of the foundation

1. The purpose of the foundation is the promotion of environmental protection and nature conservation, including nature-based climate change mitigation, in the entire area of the Baltic Sea and its catchment, primarily outside Germany.
2. This purpose shall be realized especially by funding or conducting projects and measures in the areas of environmental protection, nature conservation and climate change mitigation, which
 - a) improve the ecological stability and/or the regenerative capacity of the marine environment,
 - b) contribute to the reduction and/or degradation of depositions leading to eutrophication or of pollutants, including greenhouse gases,
 - c) help to secure, restore or improve in other ways habitats for rare or protected species or support biodiversity,
 - d) help to secure, expand or develop marine protected areas,
 - e) help to secure, expand or develop terrestrial protected areas in the Baltic Sea's immediate catchment,
 - f) help to compensate interferences in the natural environment of the Baltic Sea or its catchment,
 - g) help to maintain and develop habitats in the Baltic Sea and/or its immediate catchment in line with nature conservation standards.
3. The foundation's purpose can also be accomplished by the purchase, takeover or management of real estate properties.

4. The foundation shall support cooperation between non-governmental organisations and administrations, both on the domestic and the international level, within the framework of its goals, and support funded or conducted measures and projects with suitable educational and public relations activities.
5. The foundation is free to determine the means by which its purpose is accomplished. The foundation's goals need not be accomplished simultaneously and to equal extent.
6. The foundation can establish independent or dependent foundations and companies or take a stake in such foundations or companies, as well as take over the management of independent or dependent, tax-privileged foundations or companies. The purpose of the foundations, companies or institutions shall be in agreement with the purpose laid down in §2 of this statute, unless the purpose is solely asset management. The extent of such management shall be contractually agreed on a case-by-case basis.

§ 3 Charitable character

1. The foundation exclusively and directly pursues charitable purposes according to section "Tax-privileged purposes" of the German fiscal code (Abgabenordnung).
2. The foundation is a non-profit; it does not pursue primarily own economic interests.
3. The funds of the foundation must only be used for statutory purposes. The founder and its legal successors do not receive any funds or gifts from the foundation's resources. No person shall benefit through expenses that are alien to the purpose of the foundation or through excessive remuneration.
4. The foundation carries out its tasks itself or by means of auxiliaries, unless it grants funds for the accomplishment of the purposes according to §2 of this statute to another non-profit corporation or a legal entity under public law.

§ 4 Foundation assets

1. At the time of the establishment of the foundation, the basic assets amount to five million euros.
2. The basic assets can be increased through additional endowments.
3. Upon request by the donator, endowments can be marked with his/her name or designated for a specific purpose aligned with the general purpose of the foundation.
4. The basic assets of the foundation, including additional endowments, have to be preserved undiminished. Generally the real value shall be preserved. Reallocations of assets are admissible. The investments shall serve the purposes of security, high earnings and increase in value. They shall not run contrary to ethical standards or the purpose of the foundation. The concrete decisions about asset management an investment are at the discretion of the Board of Directors.

§ 5 Funds and reserves

1. There is no legal entitlement to benefits from the foundation resulting from this statute. Even regular or repeated benefits granted do not establish a legal entitlement. Benefits granted by the foundation are not heritable.
2. The foundation has the right to raise or accept donations, grants and allowances, and to conclude sponsoring agreements.
3. Income from the foundation's basic assets, donations not increasing it and further income have to be used for the accomplishment of the foundation's purpose. The funds of the foundation have to be used economically.
4. The foundation can transfer funds to free or appropriated reserves or to the basic assets to the extent that is permissible under German tax law.
5. Profits from asset reallocations can be used to accomplish the foundation's purpose or be transferred to a reallocation reserve, which can be used to balance losses from asset reallocations or dissolved and transferred to the basic assets.

§ 6 Bodies

1. The bodies of the foundation are the Board of Directors and the Board of Trustees. A simultaneous membership in both bodies is inadmissible.
2. The bodies' members are active in an honorary capacity. In consideration of the economic strength of the foundation, they are entitled to reimbursements of reasonable expenses and attendance fees.
3. The liability of the bodies' members is limited to damages resulting from intent or gross negligence. The foundation shall insure them against risks to the extent of its financial abilities.
4. The bodies' members are obliged to inform the other members if there is the possibility of a conflict of interest; this is especially applicable in cases of decisions which touch private or professional interests of the respective member or close relatives, including partnerships outside of legal arrangements. The respective member can be excluded from the decision about the matter by a unanimous decision in which all other members, but not the member in question, participate. The application of this regulation has to be minuted.
5. An important reason for the recall of a body's member according to §7 section 5 and §10 section 5 can be, for example, that the member
 - a. misuses the foundation's funds for personal purposes or purposes outside of this statute;
 - b. intentionally deceives other body members about legally relevant facts;
 - c. is not able to perform his/her tasks properly (e.g. due to longer illness);
 - d. obstructs the activity of the body repeatedly to the disadvantage of the foundation;

- e. exhibits other gross misconduct or behaviour that damages the foundation which makes it unreasonable for the foundation to tolerate that the member remains in office until the end of his/her term.

Moreover, an important reason for recalling a body's member can be personal conflicts between body members which endanger a constructive cooperation to the benefit of the foundation.

§ 7 Board of Directors

1. The Board of Directors directs and manages the foundation and decides about the foundation's business, unless this statute determines otherwise. It consists of at least three and at most five members.
2. Three members of the Board of Directors (delegated members) are appointed by the following organisations:
 - one member by WWF Germany (WWF Deutschland)
 - one member by Friends of the Earth Germany, state section of Mecklenburg-West Pomerania (Bund für Umwelt und Naturschutz Deutschland, Landesverband Mecklenburg-Vorpommern e.V.)
 - one member by BirdLife International Germany, state section of Mecklenburg-West Pomerania (NABU (Naturschutzbund Deutschland) Mecklenburg-Vorpommern e.V.)
3. The term of the Board of Directors begins as soon as all delegated members have been effectively appointed, but not before the previous Board of Directors' term has ended, and runs six years. Repeated appointments are admissible. The appointments shall be made before the end of the previous Board of Directors' term and need to be documented. If ~~the~~ any of the appointments not made on time, the current Board of Directors remains in office until the next Board of Directors' term begins, and continues to manage the foundation's business.
4. The Board of Directors, after having been formed according to sections 2 and 3, can admit additional, well-informed members, if this seems advisable for professional or organizational reasons (co-opted members). Before, it has to give the Board of Trustees the possibility to express an opinion on the issue with a notice of four weeks.
5. Apart from death or the expiration of the term, the office term of a delegated member of the Board of Directors can also end by resignation, the completion of the eightieth year of the member, or by recall. The office term of co-opted members ends with the regular end of the Board of Directors' office term, independently of the time of their appointment. Members of the Board of Directors can be recalled by the Board of Trustees at any time for important reasons. Before, they have to be given the opportunity to make a statement. Moreover, co-opted members can be recalled with decision by the Board of Directors with a three-quarter majority. The respective member has the right to be heard, but does not

participate in the decision. A recall is considered valid until its invalidity has been established with the force of law. Decisions taken by the bodies and measures taken by the foundation in the meantime remain valid.

6. If a delegated member leaves the Board of Directors before the end of the term, the appointing organisation has to appoint a new member for the remaining term immediately. Until then, the remaining members form the Board of Directors and manage the foundation's business.
7. If one of the organizations named in section 2 has not effectively appointed a new member before the end of the regular term of the Board of Directors, or within two months after the term of its delegated member has ended prematurely, the Board of Directors appoints a new member for the new or remaining office term to prevent or end the vacancy. If the respective organization makes an appointment at a later date, this appointment comes into effect only for the next regular office term.
8. The Board of Directors elects a chairperson as well as a first and second deputy from among its members. The deputies represent the chairperson, if necessary, according to their rank.
9. In exceptional, well-founded cases, a reasonable remuneration can be granted to individual members of the Board of Directors by the Board of Trustees, if that member performs special services to the foundation or if the time and effort necessary to exercise the office properly justifies it.

§ 8 Managing Director

The Board of Directors appoints a professional Managing Director, who cannot be a board member. The Managing Director is responsible for the daily business. The details are regulated in the Board of Directors' rules of procedure.

§ 9 Legal representation and auditing

1. The Board of Directors represents the foundation in and out of court. The Board of Directors is represented by two members collectively.
2. The professional Managing Director has sole power of representation in and out of court. This person can be appointed as special representative according to §30 of the German Civil Code (BGB). Such appointments have to be reported to the foundation supervision authority.
3. The annual financial statements of the foundation need to be externally audited by an auditing company or another entity authorized to issue an equivalent certificate. The audit has to include the preservation of the foundation's basic assets and the correct use of the foundation's funds according to the statute.

§ 10 Board of Trustees

1. The Board of Trustees has three to five members. Employees and persons that benefit from the foundation more than only insignificantly cannot be members of the Board of Trustees.
2. Three members are appointed by the following organizations (delegated members):
 - one member by WWF Germany (WWF Deutschland)
 - one member by Friends of the Earth Germany, state section of Mecklenburg-West Pomerania (Bund für Umwelt und Naturschutz Deutschland, Landesverband Mecklenburg-Vorpommern e.V.)
 - one member by BirdLife International Germany, state section of Mecklenburg-West Pomerania (NABU (Naturschutzbund Deutschland) Mecklenburg-Vorpommern e.V.)
3. The term of the Board of Trustees begins as soon as all delegated members have been effectively appointed, but not before the previous Board of Trustees' term has ended, and runs five years. Repeated appointments are admissible. The appointments shall be made before the end of the previous Board of Trustees' term and need to be documented. If any of the appointments are not made on time, the current Board of Trustees remains in office until the next Board of Trustees' term begins, and continues to manage the board's business.
4. The Board of Trustees, after having been formed according to sections 2 and 3, can admit additional, well-informed members, if this seems advisable for professional or organizational reasons (co-opted members).
5. Apart from death or the expiration of the term, the office term of a delegated member of the Board of Trustees can also end by resignation, the completion of the eightieth year of the member, or by recall. The office term of co-opted members ends with the regular end of the Board of Trustees' office term, independently of the time of their appointment. Members of the Board of Trustees can be recalled by the appointing organizations at any time for important reasons. Before, they have to have the opportunity to make a statement before the Board of Trustees. A recall is considered valid until its invalidity has been established with the force of law. Decisions by the bodies and measures taken by the foundation in the meantime remain valid. Moreover, co-opted members can be recalled with decision by the Board of Trustees with a three-quarter majority. The respective member has the right to be heard, but does not participate in the decision.
6. If a delegated member leaves the Board of Trustees before the end of the term, the appointing organisation has to appoint a new member for the remaining term immediately. Until then, the remaining members form the Board of Trustees and manage the board's business.
7. If one of the organizations named in section 2 has not effectively appointed a new member before the end of the regular term of the Board of Trustees, or within two months after the term of its delegated member has ended prematurely, the Board of Trustees appoints a new member for the new or remaining office term to prevent or end the vacancy. If the

respective organization makes an appointment at a later date, this appointment comes into effect only for the next regular office term.

8. The Board of Trustees elects a president and a vice president from among its members. The president represents the Board of Trustees, the vice president represents the president if necessary.

§11 Competencies of the Board of Trustees

The Board of Trustees supervises, supports and advises the Board of Directors with the accomplishment of the foundation's purpose. It can issue recommendations for priorities of the foundation's activity. It is especially responsible for

- a. recalling members of the Board of Directors according to §7 section 5,
- b. approving a remuneration of a member of the Board of Directors according to §7 section 9,
- c. receiving the reports of Board of Directors,
- d. accepting the annual financial statement adopted by the Board of Directors,
- e. discharging the members of the Board of Directors,
- f. statute amendments, changes and extensions of the foundation's purpose, mergers or the dissolution of the foundation,
- g. other decisions within its competencies according to this statute.

§ 12 Rules of procedure and decisions

1. Both the Board of Directors and the Board of Trustees adopt rules of procedure. In the case of the Board of Directors, the rules of procedure especially have to contain the division of work between the board and the Managing Director as well as the definition of legal transactions requiring board approval. It can also contain the assignment of tasks and responsibilities within the Board of Directors.
2. The members of the foundation's bodies have one vote each. The vote cannot be transferred to another body member. In the Board of Trustees, personal replacements are admissible if they have been named at the latest in the previous board meeting and if this has been minuted.
3. The Board of Trustees is summoned by its president or, in case of inability, by its vice president, but at least once per calendar year. The notice is at least four weeks. The summons can be sent in writing or electronically. The notice can be shortened in case of urgent need at the request of the majority of the members. This has to be minuted. The Board of Trustees can also be summoned by two of its members or by the Board of Directors; the summons has to name the intended agenda items.
4. The Board of Directors convenes at least twice per year. The details are regulated in the Board of Directors' rules of procedure.

5. The bodies have a quorum for decisions if more than half of their members, including the chairperson or the first deputy, participate in the decision after having been summoned in accordance with the regulations. Mistakes at summoning are considered corrected if all members participate or are excused and nobody objects before proceeding to the agenda items. This has to be minuted.
6. Decisions are made by simple majority of the members participating in the decision, unless this statute states otherwise. In case of a tie, the vote of the chairperson/presidency decides, in case of their absence the vote of the first deputy. Invalid votes and abstentions are not considered.
7. Decisions by the bodies are usually made during sessions which can also be conducted as phone or video conferences or as hybrid sessions. In urgent cases, decisions can be made in writing, electronically, orally or via phone, if no member of the respective body objects. The decision has to be minuted, the minutes have to be sent to all members immediately.
8. The result of each session has to be recorded in minutes that have to state at least the place and date of the session, the attending members, the ascertainment of the quorum and the summons in accordance with the regulation, as well as the agenda items and the decision in the exact wording, including the results of the vote. The minutes have to be signed by the chair/presidency and one additional member. This can also be done by using legally admissible electronic signatures. The minutes have to be sent to all members of the respective body after the session without unnecessary delay. They have to be kept with the foundation's documents permanently.
9. The sessions of the bodies are not public, minutes and other documents are confidential. Minutes can be released per a decision of the respective body if there are legal grounds or if the respective body finds this in the interest of the foundation.

§ 13 Advisory boards

The Board of Directors can appoint temporary or permanent advisory boards. Their tasks and competencies are determined by the Board of Directors.

§ 14 Statute amendments

1. The Board of Trustees and the Board of Directors can amend the foundation's statute in a joint session chaired by the president if this is appropriate in the interest of the foundation's ability to function and perform. The purposes according to §§ 1 to 3 have to be preserved.
2. Decisions to amend the foundation's statute require a two-thirds majority of both bodies.
3. Statute amendments enter into force on the date of receipt of the approval by the supervisory authority that is competent according to the state law about foundations.

§ 15 Change of purpose, amalgamation, merger, expansion of purpose, dissolution, cooperation

1. The Board of Trustees and the Board of Directors can change the foundation's purpose or amalgamate or merge the foundation with another foundation in a joint session chaired by the president, if the accomplishment of the foundation's purpose has become possible fully or partially only in this way. A merger must not restrict or annul the foundation's charitable status.
2. The Board of Trustees and the Board of Directors can give the foundation an additional purpose in a joint session chaired by the president, if this purpose is similar to the foundation's original purpose, if its permanent and sustainable accomplishment seems ensured without endangering the original purpose, and if the foundation's assets or income are needed only partially for the accomplishment of the foundation's purpose.
3. The Board of Trustees can decide to dissolve the foundation with a three-quarter majority if the foundation's purpose cannot be accomplished in the foreseeable future and if this is also not possibly by an adjustment of the foundation's purpose.
4. Decisions according to sections 1 through 3 require the approval of the foundation authority and enter into force only on the day the approval is received.
5. In case of a dissolution of the foundation or in case of the cessation of its tax-privileged purposes, its assets are transferred to another tax-privileged corporation for the purpose of using it for environmental protection and nature conservation, including nature-based climate protection, in the entire area of the Baltic Sea and its catchment, primarily outside Germany.
6. The foundation can cooperate with other foundations or other associations, companies etc. as far as this is in accordance with the goals of the foundation. Such a cooperation especially makes sense if there are foundations or associations (also abroad) with fully compatible goals and the cooperation creates reasonable synergies. The cooperating foundations or associations can form collective managements.

§ 16 Supervision, transitional arrangements, entering into force

1. The foundation is subject to the supervision by the foundation authority that is responsible according to the state law on foundations.
2. The foundation is obliged to inform the foundation authority immediately about the current composition if the bodies and possible appointments of Managing Directors, including the different functions within the bodies, to give evidence for this, and to inform the authority about the foundation's address and the private addresses of the persons with the right to representation.
3. The office term of the Board of Directors that is in office at the time this statute enters into force ends on 30th June 2023. This includes members of the Board of Directors who are appointed after the statute amendment enters into force, but before the expiry date according to sentence 1.

4. The 3rd statute amendment enters into force on the day of receipt of the approval by the foundation authority.