

THE PORTO PROTOCOL FOUNDATION

ARTICLES OF ASSOCIATION

(cf. Article 22, paragraph 2 j) of the Portuguese Framework Law of Foundations, approved by Law no. 24/2012, and amended by Law no. 150/2015, of 10-09-2015)

General Provisions

Article 1

Name, duration, headquarters and scope

- 1 — The Porto Protocol Foundation is a private, non-profit legal entity governed by these Articles of Association and the applicable legal provisions.
- 2 — The Foundation is set up by The Fladgate Partnership - Vinhos, S.A. for an indefinite term.
- 3 — The Foundation's headquarters are located at Rua do Choupelo, no. 250, in the civil parishes of Santa Marinha and S. Pedro da Afurada, in the municipality of Vila Nova de Gaia.
- 4 — The Foundation develops its activities in all the Portuguese territories.

Article 2

Purposes and activities

- 1 — The purpose of the Foundation is to implement an integrated strategy in order to promote participatory citizenship for the protection of the environment or the natural heritage.
- 2 — In the pursuit of its purpose, the Foundation aims to develop the following activities:
 - a) Dissemination of good practice, projects and initiatives aimed at fighting climate change and reducing its impact;
 - b) Organization of initiatives and actions which promote and motivate the protection of the environment or of the natural heritage, including the organization of fairs, congresses, conferences and in general all types of disseminatory actions and events for the promotion of environmental protection aimed at reducing the impact of climate change;
 - d) Direct collection of funds, social auctions, charity events, commercialization of experiences and products;
 - e) Dissemination of projects, intervention initiatives, and studies prepared by the Foundation and by national and international institutions with a view to reducing the impact of climate change;
 - f) Design and implementation of environmental programmes;
 - g) The exchange or implementation of projects in partnership with liaison bodies headquartered in other countries.

Patrimonial and Financial Management

Article 3

Assets and revenue

- 1 — The initial assets consist of a monetary value of € 250,000.00 (two hundred and fifty thousand euros) given by The Fladgate Partnership –Vinhos SA.
- 2 — In addition to the initial endowment, the Foundation's assets include subsidies and other financial support, as well as any income resulting from the exercise of its activity, and assets and entitlements acquired in any capacity.

Article 4

Patrimonial autonomy

The Foundation enjoys patrimonial autonomy and may, subject to the purposes for which it was set up and pursuant to legally applicable restrictions:

- a) Purchase, sell and encumber movable and immovable property;
- b) Accept donations, as well as inheritances or testamentary legacies for the benefit of inventory;

- c) Practice all acts necessary for the proper management and enhancement of its assets.

Organization and Operation

Article 5

Governing Bodies

- 1 — The Governing Bodies of the Foundation are:
- a) The Board of Directors;
 - b) The Executive Director;
 - c) The Statutory Auditor;
- 2 — The term of office of the governing bodies of the Foundation lasts for one year and is renewable to a maximum of ten times.

Board of Directors

Article 6

Structure and appointment

- 1 — The direction of the Foundation is exercised by a Board of Directors composed of three (3) members, one of whom is the Chairman appointed by the managing board of the Funder.
- 2 — The Chairman of the Board of Directors is appointed from among the members of the Board of Directors.

Article 7

Powers

- 1 — The Board of Directors is responsible for the representation of the Foundation, the accomplishment of its purposes, the management of its assets, as well as to deliberate on proposals for the amendment of the Foundation's articles of association and for the alteration and termination of the Foundation.
- 2 — In particular, the Board of Directors shall:
- a) Program the activity of the Foundation;
 - b) Manage and dispose of the Foundation's assets, in accordance with the law;
 - c) Approve the annual report and accounts, after the report of the auditory body;
 - d) Approve the business plan and budget for the following year;
 - e) Approve the internal regulations of the Foundation.
- 3 — The Board of Directors may delegate to the executive body the power to perform specific acts, within the scope of the powers provided for in paragraphs a) and e) of the previous paragraph.

Article 8

Operation

- 1 — The operation and the decision-making of the Board of Directors shall be performed in accordance with the law.
- 2 — The Board of Directors meets ordinarily on a quarterly basis and, extraordinarily, when called upon by its Chairman, on his own initiative or at the request of the majority of its members.

Executive Director

Article 9

Appointment and powers

The Executive Director, who is part of the Board of Directors, is responsible for ensuring the day-to-day management functions, and is appointed by acting members of the Board of Directors from within its members.

Statutory Auditor

Article 10

Appointment

- 1 — The supervision of the Foundation is exercised by a Statutory Auditor appointed by the Board of Directors of the Funder.
- 2 — At the appointment of the Statutory Auditor, a substitute shall be appointed to replace the auditor in his absences and impediments.
- 3 — The exercise of duties in the auditory body is incompatible with the simultaneous appointment for managing positions within the Foundation.

Article 11

Powers

In particular, the statutory auditor is responsible for:

- a) Supervise the management and accounts and may, for such purpose, consult the necessary documentation;
- b) Issue an opinion on the financial report and accounts for the year;
- c) Issue an opinion on the business plan and budget for the following year;
- d) Issue reports on any other matters submitted by the Foundation's governing bodies;
- e) Verify to the compliance to the law, regulations, and articles of association herein.

Termination and Destination of the Assets

Article 12

Termination of the Foundation

1— In addition to the grounds for termination provided for by the law, the Foundation shall be terminated by decision of the Board of Directors, taken by a qualified majority of three quarters of the active members and at a meeting expressly convened for the said purpose.

2- The remaining assets after liquidation shall be delivered, by decision taken at a meeting of the Board of Directors, to one of the following entities:

- (i) To the Portuguese State;
- (ii) To public utility legal entities;
- (iii) To private social charity institutions, as well as legally equivalent entities;
- (iv) To public utility legal entities merely pursuing, exclusively or predominantly, the following purposes: scientific or cultural, charity, assistance, beneficence, social solidarity, environmental protection and interprofessional sustainable agricultural food production.