

The Companies Act 2006
Company Limited by Guarantee
and not having a Share Capital

Articles of Association
of
Bonsucro Limited

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Company Limited by Guarantee and not having a Share Capital

ARTICLES OF ASSOCIATION

of

Bonsucro Limited

1 NAME

The name of the company is Bonsucro Limited (the “**Company**”).

2 REGISTERED OFFICE

2.1 The registered office of the Company is to be in England and Wales.

3 OBJECTS

3.1 The objects of the Company (the “**Objects**”) are:

3.1.1 To define globally applicable performance-based principles, criteria, indicators and standards for sugarcane production that take into account local conditions and circumstances, and that are based on a credible and transparent process that is focused on the key sustainability drivers in sugarcane production;

3.1.2 To promote measurable improvements in the key economic, environmental and social impacts of sugarcane production and primary processing;

3.1.3 To develop a certification system that enables producers, buyers and others involved in sugar and ethanol businesses to obtain products derived from sugarcane that have been produced according to agreed, credible, transparent and measurable criteria;

3.1.4 To support the transition of the Company to an internationally accepted global platform for sugarcane and its derived products, which is financially self-sustaining and which provides a forum for continuing improvement in production efficiency and sustainability;

3.1.5 To do all such other things as are incidental to the attainment of the said Objects; and

3.1.6 To do all or any of the above things in any part of the world, and either as principals, agents, directors or otherwise, and either alone or in conjunction with others, and either by or through agents, directors or otherwise,

PROVIDED ALWAYS that:

(a) in case the Company shall take or hold any property which may be subject to any trust, the Company shall only deal with or invest in the same in such manner as allowed by law, having regard to such trusts; and

(b) the Company shall not support with its funds any object, or endeavour to impose on or procure to be observed by its members or others, any regulation, restriction or condition which if an object of the Company would make it a trade union.

4 POWERS

4.1 Subject to these Articles, the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

- 4.2 Subject to these Articles, the directors may delegate any of the powers which are conferred on them under the Articles:-
- 4.2.1 to such person, committee, working group or task force;
 - 4.2.2 by such means (including by power of attorney);
 - 4.2.3 to such an extent;
 - 4.2.4 in relation to such matters or territories; and
 - 4.2.5 on such terms and conditions,
as they think fit, including but not limited to a Governance & Nominations Committee, a Finance & Risk Committee, a Members' Council and a Technical Advisory Board.
- 4.3 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
- 4.4 The directors may revoke any delegation in whole or part, or alter its terms and conditions.
- 4.5 Committees, working groups and task forces to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by directors.
- 4.6 The directors may make rules of procedure for all or any committees, working groups and/or task forces.
- 4.7 The directors may confer on any individual (with his or her consent) the honorary post of Honorary Ambassador of the Company and may impose such terms and conditions on such post as they make from time to time think fit.
- 4.8 The directors shall be responsible for agreeing the objectives of, and reviewing the performance of, the Chief Executive Officer and may delegate the practical aspects of this responsibility to the Chair of the Board.

5 **NO DISTRIBUTION**

Subject to Article 21, the income and property of the Company shall be applied solely towards the promotion of the Objects and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to the Legal Members of the Company or to the members (except in the event of dissolution of the Company), provided that nothing herein contained shall prevent the payment in good faith of remuneration to any director, officer or employee of the Company or to any Legal Member of the Company, in return for any services actually rendered by that person to the Company.

6 **CONFLICTS OF INTEREST**

- 6.1 If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the Company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- 6.2 But if Article 6.3 applies, a director who is interested in an actual or proposed transaction or arrangement with the Company is to be counted as participating in the decision-making process for quorum and voting purposes.
- 6.3 This Article applies when:-
- 6.3.1 the Company by ordinary resolution disapplies the provision of the Articles which would otherwise prevent a director from being counted as participating in the decision-making process;

- 6.3.2 the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
 - 6.3.3 the director's conflict of interest arises from a permitted cause.
- 6.4 For the purposes of this Article, the following are permitted causes:-
- 6.4.1 a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the Company or any of its subsidiaries;
 - 6.4.2 subscription, or an agreement to subscribe, for securities of any of the subsidiaries of the Company, or to underwrite, sub-underwrite, or guarantee subscription for any such securities; and
 - 6.4.3 arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the Company or any of its subsidiaries which do not provide special benefits for directors or former directors.
- 6.5 For the purposes of this Article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- 6.6 Subject to Article 6.7, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the Chair of the Board whose ruling in relation to any director other than the Chair of the Board is to be final and conclusive.
- 6.7 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chair of the Board, the question is to be decided by a decision of the directors at that meeting, for which purpose the Chair of the Board is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

7 LEGAL MEMBERS OF THE COMPANY

- 7.1 The Company must maintain a register of the names and address of the Legal Members of the Company.
- 7.2 The first Legal Members of the Company were the subscribers to the Memorandum.
- 7.3 With effect from the effective date, the Legal Members of the Company shall be the directors for the time being.
- 7.4 Except as otherwise provided by these Articles, decisions of the Legal Members of the Company shall be made by resolution in accordance with the Act.
- 7.5 Legal Membership of the Company is terminated if the Legal Member of the Company concerned:
- 7.5.1 gives written notice of resignation to the Company unless, after the resignation, there would be fewer than three Legal Members of the Company;
 - 7.5.2 dies; or
 - 7.5.3 ceases to be a director.
- 7.6 Legal Membership of the Company is not transferable.
- 7.7 The directors may recognise one or more classes of supporters (who may be organisations and/or individuals) who are not Legal Members of the Company (but who may nevertheless be termed as categories of "member") and set out their respective rights and obligations in rules or bye laws.

8 LIABILITY OF LEGAL MEMBERS OF THE COMPANY AND GUARANTEE

The liability of Legal Members of the Company is limited to a sum not exceeding £1, being the amount that each Legal Member of the Company undertakes to contribute to the assets of the Company in the event of its being wound up while he or she is a Legal Member of the Company or within one year after he or she ceases to be a Legal Member of the Company for:

- 8.1.1 payment of those debts and liabilities of the Company incurred before he or she ceased to be a Legal Member of the Company;
- 8.1.2 payment of the costs, charges and expenses of winding up the Company; and
- 8.1.3 the adjustment of rights of contributors among themselves.

9 THE DIRECTORS

9.1 The number of directors shall not be fewer than three but (unless otherwise determined by ordinary resolution) not more than seven.

9.2 On the effective date, the appointed directors of the Company shall be those four individuals designated as directors and Legal Members of the Company, and the ex officio directors of the Company shall be those individuals designated, respectively, as chairman and vice-chairman of the Members' Council and chairman of the Technical Advisory Board and (in each case) also as Members of the Company.

9.3 Future directors shall comprise:

- 9.3.1 the chairman and vice-chairman of the Members' Council ex officio;
- 9.3.2 the chairman of the Technical Advisory Board ex officio; and
- 9.3.3 up to four individuals appointed by a decision of the directors, such decision being made having considered the recommendations of the Governance & Nominations Committee and the views (if any) of the Members' Council in accordance with Articles 11.1.1 and 13.2,

but no individual may be appointed as a director if he or she would be disqualified from acting under the provisions of Article 9.8.

9.4 Each appointed director shall be appointed for a specified period not exceeding three years. On or prior to the termination of the period of his or her appointment, an appointed director may be re-appointed for up to two further periods, each not exceeding three years. Upon termination of the third period of appointment, an appointed director will be required to retire from the board of directors. An appointed director who has held three consecutive three-year terms of office, shall not be eligible for re-appointment until one year after his or her retirement. For the avoidance of doubt, an individual's period of service as a director of the Company prior to the effective date (if any) shall not be counted when determining his eligibility to be re-appointed in accordance with this Article 9.4.

9.5 Each ex officio director will automatically cease to be a director on ceasing to hold the office of chairman of the Technical Advisory Board or chairman or vice-chairman of the Members' Council, as applicable.

9.6 The terms of office of each appointed director shall commence at the end of the directors' meeting at which he or she is appointed and shall expire on the third anniversary thereof. The terms of office of each ex officio director shall commence immediately on appointment of their ex officio position.

9.7 The provisions of Articles 9.4 and 9.5 are subject to this Article 9.7, which provides that, subject to the right of any director to resign, the term of office of a director shall not expire until the vacancy is addressed and his or her successor is elected or, in the case of an appointed

director, a decision is taken to reduce the number of appointed directors so that no successor is to be appointed.

- 9.8 A director's term of office automatically terminates if:
- 9.8.1 that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;
 - 9.8.2 a bankruptcy order is made against that person;
 - 9.8.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - 9.8.4 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
 - 9.8.5 notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms; or
 - 9.8.6 (in the case of an appointed director) he or she is removed by a resolution passed by the directors to terminate that person's appointment in accordance with Article 13.3.
- 9.9 The directors may at any time co-opt any person duly qualified to be appointed as a director to fill a vacancy in their number or (subject to Article 9.1) as an additional director, provided that in the case of an appointed director, the directors shall seek the prior recommendation of the Governance & Nominations Committee (and the views of the Members' Council pursuant to Article 13.2).
- 9.10 A director may not appoint an alternate director or anyone to act on his or her behalf at meetings of the directors.
- 9.11 A technical defect in the appointment of a director of which the directors are unaware at the time does not invalidate decisions taken at a meeting.
- 9.12 The Company may pay any reasonable expenses which the directors properly incur in connection with their attendance at meetings of directors or committees of directors or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

10 PROCEEDINGS OF DIRECTORS

Decisions by directors

- 10.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or alternatively a decision taken in writing in accordance with Articles 10.2 and 10.3.
- 10.2 A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 10.3 Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.
- 10.4 References in this Article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.
- 10.5 A decision may not be taken in accordance with this Article if the eligible directors would not have formed a quorum at such a meeting.

Calling a directors' meeting

- 10.6 Each year there shall be a minimum of two directors' meetings.
- 10.7 Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the Chief Executive Officer to give such notice.
- 10.8 Notice of any directors' meeting must indicate:-
- 10.8.1 its proposed date and time;
 - 10.8.2 where it is to take place; and
 - 10.8.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 10.9 Notice of a directors' meeting must be given to each director, but need not be in writing.
- 10.10 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

Participation in directors' meetings

- 10.11 Subject to the Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:-
- 10.11.1 the meeting has been called and takes place in accordance with the Articles; and
 - 10.11.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 10.12 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 10.13 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

Quorum

- 10.14 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 10.15 The quorum for directors' meetings shall be half of the total number of directors plus one (rounded up to the nearest whole number).
- 10.16 If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision to appoint further directors in accordance with Article 9.9.

Chairing of directors' meetings

- 10.17 The directors may appoint a director to chair their meetings.
- 10.18 The person so appointed for the time being is known as the Chair of the Board.
- 10.19 The directors may terminate the Chair of the Board's appointment as Chair of the Board at any time.
- 10.20 If the Chair of the Board is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

Casting Vote

- 10.21 If the numbers of votes for and against a proposal at a meeting are equal, the Chair of the Board or other director chairing the meeting has a casting vote.
- 10.22 But this does not apply if, in accordance with these Articles, the Chair of the Board or other director is not to be counted as participating in the decision-making process for quorum or voting purposes

11 GOVERNANCE & NOMINATIONS COMMITTEE

- 11.1 The directors shall establish a Governance & Nominations Committee for the purpose of:
- 11.1.1 providing recommendations for individuals to be appointed as directors in accordance with Article 9.3.3;
 - 11.1.2 supporting the Technical Advisory Board to make decisions regarding the appointment, removal and replacement of its members from time to time;
 - 11.1.3 supporting the Members' Council to conduct elections of its members and to review the performance of its chairman and vice-chairman; and
 - 11.1.4 supporting the Chair of the Board to conduct performance reviews of the board of directors in accordance with Article 13.3.
- 11.2 The Governance & Nominations Committee shall at all times include one member who is a member of the Members' Council. The directors shall impose such other terms and conditions (and amendments to such terms and conditions) including but not limited to the appointment to, composition, conduct and management of the Governance & Nominations Committee as they make from time to time think fit.

12 FINANCE AND RISK COMMITTEE

- 12.1 The directors shall establish a Finance & Risk Committee to which they may delegate their responsibilities for financial matters as they shall from time to time determine.
- 12.2 The directors shall from time to time appoint, remove and replace members of the Finance & Risk Committee provided at least one member of the Finance & Risk Committee shall be a director.

13 MEMBERS' COUNCIL

- 13.1 The directors shall establish a Members' Council for the purpose of providing a wide range of views, advice, recommendations and opinions to the directors and the Technical Advisory Board on the furtherance of the Objects.
- 13.2 The Members' Council may provide its views on any individual recommended by the Governance & Nominations Committee to be appointed as a director and shall have the power to veto any recommendation, such that the directors shall not appoint any individual whose proposed appointment has been vetoed by a majority decision of the Members' Council.
- 13.3 The Members' Council may from time to time request a performance review of the board of directors. With support from the Governance & Nominations Committee, the Chair of the Board shall be responsible for conducting such performance reviews and for reporting the outcome and any proposed remedial action to the Members' Council. In the event that the Members' Council is not satisfied with the Chair of the Board's report and/or the proposed remedial action, the Members' Council may (provided that at least 75% of the members of the Members' Council agree to do so) instruct that the directors terminate the directorship of the appointed directors, and appoint new appointed directors in their place in accordance with Article 9.3.3.
- 13.4 The Members' Council shall comprise up to 25 individuals (either individuals who are members, or individuals representing organisations that are members). The first members of the

Members' Council shall be those individuals designated as members of the Members' Council, and up to 10 further individuals co-opted by them. Thereafter, members shall elect 15 individuals to the Members' Council at such times as are set out in the terms and conditions established pursuant to Article 13.6 and the Members' Council shall have the power to co-opt up to ten further individuals to the Members' Council.

- 13.5 The first chairman and vice-chairman of the Members' Council shall be those individuals designated as such in accordance with Article 9.2. Thereafter, the Members' Council shall, from amongst its members, appoint two individuals to serve as chairman and vice-chairman of the Members' Council and as ex officio directors in accordance with Article 9.3.1. Both the vice-chairman and the chairman of the Members' Council shall be subject to annual performance reviews and (subject to the outcome of such performance reviews and limitations on the terms of office) the vice-chairman is expected to succeed the chairman of the Members' Council
- 13.6 The directors shall approve such terms of reference (and amendments thereto) as they may from time to time think fit, subject at all times to the principle that the Members' Council shall seek to achieve a balanced representation of the views of members.

14 TECHNICAL ADVISORY BOARD

- 14.1 The directors shall establish a Technical Advisory Board:
- 14.1.1 from which the directors will seek advice on the Company's technical, quasi-judicial and scientific functions, including but not limited to its global performance framework, standards and assurance mechanisms, and also which will review and provide advice on how the Company measures its impact; and
 - 14.1.2 to which the directors may, subject to any terms and conditions imposed pursuant to Article 14.4, delegate some or all of its decision-making functions in relation to the Company's technical, quasi-judicial and scientific functions, including but not limited to its certification and other assurance mechanisms.
- 14.2 The Technical Advisory Board shall comprise no more than 15 individuals. The first members of the Technical Advisory Board shall be appointed by the directors. Thereafter, the Technical Advisory Board shall appoint its members using the procedures as are imposed by the terms and conditions established pursuant to Article 14.4, subject at all times to the principle that the Technical Advisory Board shall represent the breadth of expertise within the Company and its supporter members.
- 14.3 The first chairman of the Technical Advisory Board shall be the individual designated as such in accordance with Article 9.2. Thereafter, the Technical Advisory Board shall, from amongst its members, appoint an individual to serve as chairman of the Technical Advisory Board and as ex officio director in accordance with Article 9.3.2.
- 14.4 The directors shall impose such terms and conditions (and amendments to such terms and conditions) for the conduct and management of the Technical Advisory Board as they may think from time to time fit.

15 RECORDS & ACCOUNTS

- 15.1 The directors must comply with the requirements of the Act as to keeping financial records, the audit or independent examination of accounts and the preparation and transmission to the Registrar of Companies of:
- 15.1.1 annual reports;
 - 15.1.2 annual returns; and
 - 15.1.3 annual statements of account.

- 15.2 The directors must keep records of:
- 15.2.1 all proceedings at general meetings;
 - 15.2.2 all proceedings at meetings of the directors;
 - 15.2.3 all reports of committees; and
 - 15.2.4 all professional advice obtained.

15.3 Except as provided by law or authorised by the directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents by virtue of being a member.

16 MEANS OF COMMUNICATION TO BE USED

16.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.

16.2 Subject to the Articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

16.3 A director may agree with the Company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

17 EXCLUSION OF MODEL ARTICLES

Any model articles for a company limited by guarantee that may exist (including those constituting Schedule 2 to the Companies (Model Articles) Regulations 2008 are hereby expressly excluded.

18 PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS

The directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

19 INDEMNITY

19.1 Subject to Article 19.2 a relevant director of the Company or an associated company may be indemnified out of the Company's assets against:-

19.1.1 any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;

19.1.2 any liability incurred by that director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act); or

19.1.3 any other liability incurred by that director as an officer of the Company or an associated company.

19.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

19.3 In this Article:-

19.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

19.3.2 a “relevant director” means any director or former director of the Company or an associated company.

20 **INSURANCE**

20.1 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant director in respect of any relevant loss.

20.2 In this Article:-

20.2.1 a “relevant director” means any director or former director of the Company or an associated company;

20.2.2 a “relevant loss” means any loss or liability which has been or may be incurred by a relevant director in connection with that director’s duties or powers in relation to the Company, any associated company or any pension fund or employees’ share scheme of the Company or associated company; and

20.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

21 **DISSOLUTION**

On the winding-up or dissolution of the Company, any assets or property remaining after all the Company’s debts and liabilities have been paid or satisfied, shall be paid or transferred to the members in proportion to the amount of any subscription fees paid by them to the Company within the five years immediately preceding the winding-up or dissolution of the Company.

22 **INTERPRETATION**

22.1 References to an act of parliament are references to that act as amended or re-enacted from time to time and to any subordinate legislation made under it.

22.2 In these Articles expressions not otherwise defined which are defined in the Act have the same meaning.

22.3 In these Articles words importing one gender shall include all genders, and the singular includes the plural and vice versa.

22.4 In these Articles:

“Act” means the Companies Acts as defined in section 2 of the Companies Act 2006, in so far as they apply to the Company;

“appointed directors” means the individuals who are appointed as directors in accordance with Article 9.3.3;

“Articles” “Articles” means the Company’s articles of association;

“bankruptcy” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

“Chair of the Board” means the director appointed to chair meetings of the directors in accordance with Article 10.17;

“designated” means designation by the individuals serving as directors as

	at 30 June 2016 and, in relation to Article 13.4, designation by the Members by way of an election conducted on or before 30 June 2016;
“director”	means a director of the Company, and includes any person occupying the position of director, by whatever name called;
“document”	includes, unless otherwise specified, any document sent or supplied in electronic form;
“effective date”	means 1 July 2016;
“electronic form”	has the meaning given in section 1168 of the Act;
“ex-officio directors”	means the individuals who are directors in accordance with Articles 9.3.1 and 9.3.2;
“Governance & Nominations Committee”	means the sub-committee constituted in accordance with Article 11;
“Legal Members of the Company”	has the meaning given in section 112 of the Act;
“members”	means those organisations or individuals who are recognised in accordance with Article 7.7;
“Members’ Council”	means the forum constituted in accordance with Article 13;
“ordinary resolution”	has the meaning given in section 282 of the Act;
“participate”	in relation to a directors’ meeting, has the meaning given in Article 10.11;
“special resolution”	has the meaning given in section 283 of the Act;
“subsidiary”	has the meaning given in section 1159 of the Act; and
“Technical Advisory Board”	means the forum constituted in accordance with Article 14; and
“writing”	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.