

Resignation and exclusion Procedure Beyond Chocolate Partnership

Parties are free to leave the Beyond Chocolate Partnership at all times by giving notice via registered mail with acknowledgment of receipt. The resignation shall be effective on the date on which the written notice has been sent.

A signatory is considered non-compliant if he:

- (i) Doesn't meet the annual reporting requirements;
- (ii) Repetitively fails to demonstrate contribution and progress towards joint targets;
- (iii) Is in a situation of judicial administration, or bankruptcy, is in breach of EU law, judicial reorganization, dissolution, or liquidation, or is subject to insolvency proceedings of a similar nature under the laws of any jurisdiction;
- (iv) Shares confidential information from internal meetings externally;

In these cases, the signatory can be excluded from the Beyond Chocolate partnership. However, exclusion is not the preferred choice and Beyond Chocolate aims to develop a remediation trajectory for non-compliant partners.

Cases of non-compliance can be raised to the Beyond Chocolate Steering Committee by anyone (the Beyond Chocolate secretariat, partners, cooperatives,...). The Steering Committee will review the case based on the evidence provided. In case the Steering Committee judges there is a risk of non-compliance, the secretariat on behalf of the steering committee shall provide the concerned signatory with the relevant details in writing via registered mail.

The non-compliant signatory will be invited to a meeting with the secretariat within two days after the registered mail to discuss a remediation trajectory. Within 30 days after the registered mail, the non-compliant signatory needs to send a plan for remediation to the Steering Committee. This plan will then be reviewed in the next Beyond Chocolate Steering Committee meeting.

In case the remediation plan is not shared before the deadline or in case the plan is deemed insufficient by the Steering Committee, the non-compliant partner will again receive this information in writing via registered mail. Starting from this point, the non-compliant signatory will be temporarily suspended. The suspension can be lifted if the non-compliant signatory hands in a new plan for remediation within two months after the mail.

In case no remediation plan is provided within the deadline, the Steering Committee may decide to exclude a signatory, provided that the concerned signatory is invited at the meeting and has received the possibility to defend its position during the meeting of the Steering Committee and prior to the voting on the exclusion.

An exclusion of a signatory will be voted by the steering committee with consensus. In case consensus cannot be reached, the chairman will get the final vote. This process is conform to the decision making as described in the Beyond Chocolate Steering Committee mandate. A signatory which, in whatever way and for whatever reason, ceases to be a member of the Partnership shall (i) remain liable for its obligations towards the Partnership, up to the end of the financial year in which the termination of its membership became effective, (ii) have no claims for compensation on the Partnership or for its assets, and (iii) forthwith cease to hold itself out as a signatory of the Beyond Chocolate Partnership in any manner.

The decisions of the steering committee regarding the exclusion of a member are final, sovereign and must be motivated. All membership rights of the signatory concerned by the abovementioned exclusion procedure shall be suspended until the decision of the steering committee has been taken.

The exclusion of a signatory will be officially announced to all Beyond Chocolate signatories in the Beyond Chocolate newsletter, during the Beyond Chocolate General Assembly and in the minutes of the Steering Committee. The communication will include information on the process and evidence leading to the exclusion of the member.