

## **Our Policies: What we stand for and how we are committed to live up.**

### **1. Counter-Terrorism and Anti-money laundering policy**

Life Terra is a charity dedicated to planting trees, developing tree monitoring technology, and educating future generations.

As a registered charity, with ANBI number: 860322129, we must comply with charity law. This includes ensuring that our assets are safeguarded and properly used to meet our charitable objectives. We also have a duty to protect the public funds we receive. Our resources must not be used to support criminal or terrorist purposes or in any way that breaches applicable sanctions.

This policy applies to all our operations in Europe unless local legal requirements are more rigorous, or if applying the policy would be illegal under local laws.

- We will assess the risks of becoming involved with terrorism and money laundering, and of breaching applicable sanctions. We will put in place proportionate measures to manage those risks while continuing to work in difficult and challenging places. We are committed to having systems, procedures, and controls in place to ensure that we manage the risk of becoming involved in financing or supporting terrorist activity, money laundering, or breaching sanctions
- for the highest risk transactions, checking that those we fund or work with are not on any lists of proscribed terrorist groups or persons, financial sanctions lists, or other regulatory compliance lists, and assessing the risks if we are training its staff so that they have an awareness of the risks related to terrorist activity, money laundering, and breaching sanctions.
- ensuring that our staff understands their obligations to report any actual or suspected terrorist activity or money laundering - ensuring that we meet our obligations to report to external authorities. We require all those receiving our funds to act in accordance with this policy to ensure that our funds and assets are not used to finance or support terrorist activity or to launder money.

We will provide adequate and appropriate resources to implement this policy and will ensure it is communicated and understood. We will review this global policy statement annually to reflect new legal and regulatory developments and ensure good practice.

## APPENDIX

### Information on different kinds of abuse including money laundering

#### What is a scam?

The scam involves a fraudster informing a charity that they will be donating a large sum of money on the condition that the charity sends half of the donation onto another specified charity that is, in fact the personal bank account of the fraudster. For example, the fraudster will offer the charity €100,000 on the condition that it sends €50,000 to another specified charity in another country. When the charity agrees, the payment to the charity of €100,000 is made using a compromised or stolen credit card. The charity keeps €50,000 of the donation and sends the remaining €50,000 to the other specified 'charity's' bank account. However, it is in fact the fraudster's personal account. The card issuer identifies that the credit card was compromised and recalls the full amount of €100,000 from the charity. The charity is liable for the full €100,000 sum. The charity has also unwittingly been involved in money laundering.

#### In what other ways can fraudsters use donations to abuse our foundation?

Most charities have very good relationships with their donors. However, charities can be abused by fraudsters posing as genuine donors.

Life Terra is urging its employees, partners and stakeholders to be vigilant, carry out due diligence, check donations and implement robust financial controls to help protect Life Terra from abuse.

Effective due diligence and monitoring are imperative, and Life Terra will continually monitor doubtful transactions.

Be aware and communicate on how fraudsters may work; for example:

- money laundering:
  - donors can make loans to charities as a means of laundering money, or they can make donations with specific restrictions as to which partner or project is to be funded as a means of transferring funds overseas and disguising the origin of the funds
- proceeds of crime
  - anonymous cash donations or donations through suspect third parties may be a means of disposing of the proceeds of crime
- tax avoidance/evasion
  - donors may seek tax relief on their donation while at the same time seeking private benefit as a result of their donation, for example, by insisting that the charity purchase services from an associated charity as a condition of the donation Charities are free to accept donations with conditions attached, but only if those conditions are compatible with the purposes, priorities and activities of the charity and, of course, are not illegal. If the conditions are so inflexible that they could undermine the charity's independence, the trustees may need to refuse the donation.

## **How can we protect Life Terra from this abuse?**

### **Governance & Due diligence**

Life Terra has good governance in place, strong financial controls and management.

We follow the 'Know Your' principles by carrying out proper due diligence on individuals and organisations we receive money from.

We work with a Supervisory Board that monitors the operations of the Foundation. The executives have to give account to the Supervisory Board. A list of reserved matters has been developed to ensure larger transactions can only be done with consent of the Supervisory Board. The statutes of our foundation have clear regulations on how to avoid any (appearance of) conflict of interest.

We have hired a third expert party (Transfer Consultancy) as our compliance manager; they are responsible for due diligence for all Life Terra beneficiaries. Transfer is also in charge of the administration of the LIFE project. We are being monitored by the EU Life programme on a regular basis throughout the year. Meaning we have to give account.

Also we will publish annual reports as well as financial reports, and will be audited by a trusted accountant.

### **How can we identify suspicious donations?**

The key to identifying suspect donations is to look out for exceptional features, such as unusually large amounts, conditions or complex banking and transfer arrangements, or a donation which in reality is some kind of loan.

Unsolicited donations might be suspect, particularly if the trustees are unable to satisfy themselves about the credentials of the people involved, or the appropriateness of the donation or loan. Donations may take forms other than money, for example shares or goods.

Trustees should, of course, remember that the donor might be entirely legitimate, but they should not rule out the possibility that somebody is trying to exploit our foundation. The following situations may indicate higher risks:

- unusual or substantial one-off donations or a series of smaller donations or interest-free loans from sources that cannot be identified or checked by the charity
- where a charity is asked to act as a conduit for the passing of a donation to a second body which may or may not be another charity
- if conditions attached to a donation mean that the charity would merely be a vehicle for transferring funds from one individual or organisation to another without the trustees being able to satisfy themselves that they have been properly used
- where a charity is told it can keep a donation for a certain period of time, perhaps with the attraction of being able to keep any interest earned whilst holding the money, but the principal sum is to be returned at the end of a specified, short, period
- where donations are made in a foreign currency, and again unusual conditions are attached to their use, e.g. including a requirement that the original sum is to be returned to the donor in a different currency



- where donations are conditional on particular individuals or organisations being used to do work for the charity where the trustees have concerns about those individuals or organisations
- where a charity is asked to provide services or benefits on favourable terms to the donor or a person nominated by the donor

### **What do we need to do if we identify a suspect donation?**

Employees or stakeholders of Life Terra should report a suspect donation to the appropriate authorities. They should also report this to the branch association of charities in The Netherlands under reporting serious incidents regime as soon as they become aware of it.

## 2. Conflict of interest and anti-bribery policy

### Introduction

The purpose of this policy is to establish understanding and controls to ensure compliance with all applicable Conflict of Interest and Anti-Bribery regulations and set high standards of behaviour at every level of the organisation and ensure that Life Terra's business is conducted in a socially responsible manner.

Although the requirements regarding managing conflicts of interest and bribery primarily apply to trustees; all leaders, staff, volunteers, and members will strive to avoid any conflict of interest between the interests of the charity on the one hand, and personal, professional, and business interests on the other. This includes avoiding actual conflicts of interest as well as the perception of conflicts of interest.

The purposes of this policy are to protect the integrity of Life Terra's decision-making process, to enable our stakeholders to have confidence in our integrity, and to protect the integrity and reputation of all of us.

### Conflicts of interest

Examples of conflicts of interest include:

1. A trustee who is related to a member of staff where there is a decision to be taken in respect of that staff member.
2. A trustee or leader who has a relative, or connected person in a business, that may be awarded a contract to do work or provide services for the charity.
3. A situation where there is a loyalty or other bond to another charity or organisation or individual.
4. A close family member or a business colleague who stands to benefit from a situation means that there is a conflict of interest to be declared and managed.
5. A trustee might be selling an asset to the charity or provide services, or even join the staff.
6. Gifts or hospitality, or other favours, given to a trustee

These are examples and not intended to be a definitive list. Each trustee is responsible for declaring actual or potential conflicts. If in any doubt the Executive Management and/or the Supervisory Board should be consulted involving the charity's professional advisor where necessary.

Upon appointment each trustee will make a full, written disclosure of interests, such as relationships, and posts held, that could potentially result in a conflict of interest.

In the course of meetings or activities, trustees will disclose any interests in a transaction or

decision where there may be a conflict between the charity's best interests and the trustee's (or other connected person's) best interests or a conflict between the best interests of two organisations that the trustee is involved with.

After disclosure the trustee should leave the room to enable the other trustees to decide how the conflict should be managed. It may be appropriate for the trustee to be absent during the part of the meeting where the matter is discussed, or the conflicted trustee may be allowed to take part in the discussion but not to vote.

Any such disclosure and the subsequent actions taken will be noted in the minutes. This policy is meant to supplement good judgement, and staff, volunteers and trustees should respect its spirit as well as its wording.

Third Parties. Remember that the charity may be held liable for actions by third parties, i.e., agents, contractors, consultants. Appropriate due diligence is required before entering into any relationships, and there must be a clear rationale and proper documentation.

Bribery by individuals can attract a prison sentence with unlimited fines. If the charity has taken part, or even lacks proper controls to prevent bribery it too can face an unlimited fine, with serious reputational issues.

Bribery defined the offering, giving, solicitation or acceptance of any bribe or corrupt inducement whether in cash or any other form, to gain any commercial, contractual or regulatory advantage. It does not include normal (proportionate) hospitality, where there is no agenda of seeking favours or benefits. Transparency is usually the key to whether a gift or hospitality is reasonable and proportionate. Refer to the chair if in any doubt.

Whistleblowing. Prevention, detection and reporting of bribery or lack of procedure in dealing with a conflict of interest is primarily the responsibility of the trustees but if anyone involved with the charity suspects any improper activity or conduct has a duty to report their concerns to the trustees in accordance with standard whistleblowing policy. Copyright © Advice for The Voluntary Sector 2018

Gifts and Hospitality. All gifts and hospitality should be declared and entered in the register of interests, loyalties and gifts. Full details should be shown including the estimated value. Gifts and hospitality with a value of under €100 can be accepted provided everyone understands there is no obligation or expectation placed on the charity thereby. A gift above this figure should be declined, or the gift could be given to the charity as a donation or another charity as appropriate. A trustee being wined and dined when there are contracts up for discussion must be avoided. Secrecy must be avoided.

Reciprocal Agreements. Such agreements are not in themselves wrong but there must be complete transparency. Any form of 'quid pro quo' is not acceptable unless properly documented and approved by the trustees.

Proportionality. All arrangements, understandings and actions must be viewed in the light of a common understanding of proportionality. 'Assessing the level of risk in any case, and

deciding what a proportionate response should be, is not always easy. There is no magic formula and no risk assessment tool will ever be able to identify every risk or determine how to approach every individual case. Each case requires an individual judgement to be made by the trustees in the light of the facts and circumstances of the situation.' Common sense, transparency and integrity are the three watchwords that will ensure that the charity flourishes and stays safe.

To sum up, trustees have a legal duty to act in the best interests of the charity and in accordance with the governing document. A badly managed conflict of interest may prevent open discussion, result in poor decisions not in the best interests of the charity and bring discredit on the reputation of the trustees and the charity as a whole. Any action which can be construed as bribery and corruption can have serious consequences. Always remember too that trustees should share information with other trustees. Trustees must be transparent with one another, including the Supervisory Board.

In case a member of the board has a (potential) conflict of interest – or even just the appearance of it, he/she will notify the other board members as well as the Supervisory Board about this. That board member will not take part in deliberations and decision making within the board, in case he/she has a direct or indirect personal interest which conflicts with the interest of the Stichting. This prohibition is also applicable if it occurs with respect to all the board members. In that case, the decision making will be done by the Supervisory Board. A conflict of interest means that the board member in the given situation is considered incapable of representing the interest of the Stichting with the required integrity and objectivity.

Sven Kallen is secretary of the board of the Life Terra Foundation. He has not taken any salary in the first 2 years of the existence of the Foundation. As of January 1st, 2022 half of his salary comes from the Foundation and the other half from his own company Volterra Ecosystems.

This policy will be reviewed on an annual basis.

### 3. Sexual harassment policy

#### Policy brief & purpose

The sexual harassment policy aims to protect men and women within Life Terra from unwanted sexual advances and give them guidelines to report incidents. It is also explained how we handle claims, punish sexual harassment and help victims recover.

Sexual harassment won't be tolerated in our workplace in any shape or form. Our culture is based on mutual respect and collaboration. Sexual harassment is a serious violation of those principles.

#### Scope

This policy applies to every person working in Life Terra regardless of gender, sexual orientation, level, function, seniority, status or other protected characteristics. We are all obliged to comply with this policy.

Also, we won't tolerate sexual harassment from inside or outside of Life Terra. Employees, investors, contractors, customers and everyone interacting with our charity are covered by the present policy.

#### Policy elements

What is sexual harassment?

Sexual harassment has many forms of variable seriousness. A person sexually harasses someone when they:

- Insinuate, propose or demand sexual favors of any kind.
- Invade another person's personal space (e.g. inappropriate touching.)
- Stalk, intimidate, coerce or threaten another person to get them to engage in sexual acts.
- Send or display sexually explicit objects or messages.
- Comment on someone's looks, dress, sexuality or gender in a derogatory or objectifying manner or a manner that makes them uncomfortable.
- Make obscene comments, jokes or gestures that humiliate or offend someone.
- Pursue or flirt with another person persistently without the other person's willing participation. Also, flirting with someone at an inappropriate time (e.g. in a team meeting) is considered sexual harassment, even when these advances would have been welcome in a different setting. This is because such actions can harm a person's professional reputation and expose them to further harassment.
- The most extreme form of sexual harassment is sexual assault. This is a serious crime and our charity will support employees who want to press charges against offenders.



## **Rules on sexual harassment**

No one has the right to sexually harass employees. Any person in our organisation who is found guilty of serious harassment will be terminated, whether they are VPs or assistants. Also, if representatives of our contractors or vendors sexually harass our employees, we will demand that the organisation they work for takes disciplinary action and/or refuse to work with this person in the future.

Sexual harassment is never too minor to be dealt with. Any kind of harassment can wear down employees and create a hostile workplace. We will hear every claim and punish offenders appropriately.

Sexual harassment is about how we make others feel. Many do not consider behaviors like flirting or sexual comments to be sexual harassment, thinking they are too innocent to be labeled that way. But, if something you do makes your colleagues uncomfortable, or makes them feel unsafe, you must stop.

We assume every sexual harassment claim is legitimate unless proven otherwise. We listen to victims of sexual harassment and always conduct our investigations properly. Occasional false reports do not undermine this principle.

We will not allow further victimisation of harassed employees. We will fully support employees who were sexually harassed and will not take any adverse action against them. For example, we will not move them to positions with worse pay or benefits or allow others to retaliate against them.

Those who support or overlook sexual harassment are as much at fault as offenders. Managers especially are obliged to prevent sexual harassment and act when they have suspicions or receive reports. Letting this behaviour go on or encouraging it will bring about disciplinary action. Anyone who witnesses an incident of sexual harassment or has other kinds of proof should report to Executive Management or Supervisory Board.

## **How to report sexual harassment**

If you are being sexually harassed (or suspect another person is being harassed), please report it to your manager, the Executive Management or Supervisory Board. In serious cases like sexual assault, please call the police and inform management that you plan to press charges. We acknowledge it's often hard to come forward about these issues, but we need your help to build a fair and safe workplace for you and your colleagues.

If you want to report sexual harassment within our charity, there are two options:

Ask for an urgent meeting with your manager. Once in the meeting, explain the situation in as much detail as possible. If you have any hard evidence (e.g. emails), forward it or bring it with you to the meeting.

Send your complaint via email and attach any evidence or information that can be used in the investigation. Your manager will discuss the issue and contact you as soon as possible.

If you report assault to the police, Life Terra will provide any possible support until the matter is resolved. In any case, we will ensure you are not victimised and that you have access to relevant evidence admissible in court, like security video footage or emails (without revealing confidential information about other employees.)

### **Inadvertent harassment**

Sometimes, people who harass others do not realise that their behaviour is wrong. We understand this is possible, but that doesn't make the perpetrator any less responsible for their actions.

If you suspect that someone doesn't realize their behavior is sexual harassment under the definition of this policy, let them know and ask them to stop. Do so preferably via email so you can have records. Please do not use this approach when:

Your manager, an upper manager, investor or customer is the perpetrator.  
Sexual harassment goes beyond the boundaries of off-hand comments, flirting or jokes.  
In the above cases, report to the Supervisory Board as soon as possible.

### **Disciplinary action and repeat offenders**

Employees who are found guilty of sexual assault will be terminated after the first complaint and investigation.

Employees who are found guilty of sexual harassment (but not assault) the first time may:

- Be reprimanded and fined.
- Get a "below expectations" performance review.
- See expected promotions and/or salary increases freeze for a year.
- We may also transfer harassers or take other appropriate action to protect their victims. We will terminate repeat offenders after the second claim against them if our investigation concludes they are indeed guilty.

We apply these disciplinary actions uniformly. Employees of any sexual orientation or other protected characteristics will be penalized the same way for the same offenses.

### **Responsibilities**

First and foremost, our management should try to prevent sexual harassment by building a culture of respect and trust. But, when sexual harassment occurs and an employee makes a complaint, managers must act immediately.

Managers should explain Life Terra's procedures to their team member who made the complaint.

When our management receives a complaint that an employee harasses another employee, they will:

1. Ask for as many details and information as possible from the person or people making the complaint.
2. Keep copies of the report with dates, times and details of incidents and any possible evidence in a confidential file (separate from the personnel file.) Management should update this file with all future actions and conversations regarding this complaint.
3. Launch an investigation. If the matter is complex, management can defer to a more senior manager or to the Supervisory Board.
4. Check if there have been similar reports on the same person. If there are, management should contact the perpetrator's manager to let them know that their team member may get fired when the investigation is over.
5. Inform the harassed employees of Life Terra's procedures and their options to take legal action if appropriate.
6. Take into account the wishes of the harassed employee. Some might want the matter to be resolved informally and discreetly, while others might expect more radical actions (e.g. transferring the perpetrator.) Management should consider the circumstances and decide on appropriate action.
7. Contact the harasser and set up a meeting to explain the complaint and explicitly ask for this behaviour to stop, or,
8. Arrange for mediation sessions with the two employees (harasser and perpetrator) to resolve the issue, if the harassed employee agrees or,
9. Launch a disciplinary process depending on the severity of the harassment. In cases of sexual assault or coercing someone to sexual favors under threats, we will terminate the harasser immediately. We will terminate employees who are found guilty in a court of law of sexually assaulting another employee, even if management has not conducted its own investigation.
10. Managers must not, under any circumstances, blame the victim, conceal a report or discourage employees from reporting sexual harassment. If a manager behaves that way, please send an email to their own manager or the Supervisory Board explaining the situation.

We welcome any feedback or complaints about our procedures and how our employees handled each case.

### **Speak up, we listen**

Sexual harassment can exhaust those who endure it. Speaking up about this issue is often tough for fear of not being heard, upsetting managers and challenging corporate culture.

Please don't let these fears deter you. Our charity will do everything possible to stop sexual harassment and any other kind of harassment from happening while supporting harassed employees. We need to know what's going on so we can act on it. And by raising your voice on this issue, you help our charity create a happy workplace and thrive.