

Charter of the Hermann Scheer Foundation

Preamble

The Hermann Scheer Foundation serves to continue the life's work and significant achievements of Hermann Scheer, whose courage, foresight and resolve helped raise public awareness of the importance of using renewable energies for the sake of protecting the environment and climate, and as a solution to the growing shortage of fossil resources. He influenced political debate not just in the Federal Republic of Germany but also in the European Union and around the world. Having recognised the need for change at an early stage, both for ecological reasons and as a way of fostering world peace, he helped make the energy revolution a reality. He was a visionary, a driving force, a reformer and a revolutionary. In his final book, Scheer defined his "energetical imperative" – the need for responsible action. From this imperative derives an obligation to continue unwaveringly on the path of system change towards the age of renewable energies. This is a goal which the Foundation also wishes to help achieve.

1. Name, legal form, registered address

The name of the Foundation is

Hermann-Scheer-Stiftung (Hermann Scheer Foundation).

It is an incorporated public foundation and is based in Berlin.

2. Purpose

(1) The purpose of the Foundation is to promote environmental and climate protection through the use of renewable energies and the associated conservation of resources with the goal of developing an innovative, sustainable, rational and ethically responsible energy industry, particularly also by promoting education and raising awareness in this area, and resulting from this, the peaceful resolution and avoidance of conflicts as part of an international understanding both within Europe and worldwide.

(2) The Foundation's purposes of promoting environmental and climate protection, education, and international understanding are fulfilled directly through the activities of the Foundation itself (section 57 German Tax Code (*Abgabenordnung*, AO), and by allocating funding as defined in section 58 nos. 1 and 2 AO, in particular through

- a) media work and educational work to raise public awareness about the use of renewable energies and the decentralised generation and distribution of energy from renewable energy sources, producing subject-related publications, public information services and doing other public relations work;
 - b) media work and educational work to raise public awareness about the dangers of using fossil fuels and nuclear energy;
 - c) initiating and supporting scientific and practical projects and commissioning expert reports;
 - d) supporting projects and initiatives that further the public good in the areas mentioned above by providing organisational and logistical assistance or in other useful ways;
 - e) advocacy and the lobbying of policy-makers in Germany, Europe and internationally with the aim of establishing the right political, economic and social conditions for the use of renewable energies and at the same time contributing to the resolution and avoidance of conflicts in the context of international understanding;
 - f) the possibility of awarding grants, scholarships, prizes etc. to persons or associations in accordance with the Foundation's publicly accessible awarding guidelines;
 - g) financial grants to bodies which serve the purposes mentioned above, and to their projects;
 - h) running facilities (e.g. information centres, educational facilities) in Germany, Europe and around the world.
- The Foundation is not linked to any political party and its work is carried out internationally. It is incumbent upon the Foundation to implement the founder's will as set out here.

(3) No legal entitlement exists to the Foundation's grants.

(4) The Foundation exclusively and directly pursues charitable purposes within the meaning of the "tax-privileged purposes" section of the German Tax Code (AO).

(5) The Foundation's activities are altruistic; it is not primarily concerned with its own economic interests.

3. Assets, use of funds

(1) At the time of the establishment of the Foundation, the Foundation's assets comprised an entitlement to the transfer of a cash sum of €125,000.00 (in words: one hundred and twenty-five thousand euros).

(2) The Foundation's assets shall be maintained undiminished. Those donations which are intended to accrue to the Foundation's assets shall do so; the Foundation is allowed to accept such donations. It may also add to the Foundation's assets donations without a declared purpose arising from a testamentary disposition, and unrestricted reserves within the meaning of section 58 no. 7a AO.

(3) In individual financial years the Foundation's assets may be utilised in an amount of up to 5% of the previous year's balance provided that prior to this the Supervisory Board has adopted a resolution with a majority of two thirds of its members stating that the withdrawal of the sum is urgently required to fulfil the purposes of the Foundation; its return must be ensured within the next two financial years.

(4) The income from the Foundation's assets and donations not accruing to the assets shall be used for the fulfilment of the purposes of the Foundation.

(5) Reserves may be built up provided that this does not negatively affect the Foundation's special tax status.

(6) Funds may only be used for purposes in accordance with the Foundation's Charter. No person shall benefit from expenditures that are alien to the purpose of the Foundation, or from disproportionately high payments.

4. Governing bodies

(1) The governing bodies of the Foundation are

- a) the Executive Board;
- b) the Supervisory Board;
- c) the Board of Trustees.

(2) A member of one governing body cannot at the same time be a member of another governing body.

(3) The liability of voluntary members of a governing body towards the Foundation is limited to cases of gross negligence and intent.

5. Executive Board, Chair

(1) The Executive Board is appointed by the Supervisory Board. It comprises up to three members. The Executive Board's term of office is five years. Reappointment and dismissal for good cause are possible.

(2) The first Executive Board member (Dr. Nina Scheer) is appointed by the act of foundation and for life. She is Chair of the Executive Board for her lifetime. She is entitled to resign her position at any time. Dismissal for good cause is only possible by unanimous resolution of the Supervisory Board. As long as Dr. Nina Scheer holds office, the Supervisory Board can only appoint and dismiss further members of the Executive Board with the approval of Dr. Nina Scheer. Dr. Nina Scheer shall also decide on the appointment of the Deputy Chair.

(3) The Executive Board of the next period of office shall be appointed in good time before the end of the current period of office. Following the end of its period of office, the Executive Board shall continue in office until the new Executive Board assumes office.

(4) Additions to the Executive Board during the current period of office are only permitted for the Executive Board's remaining period of office.

(5) If the Executive Board comprises multiple members, then following the departure of Dr. Nina Scheer it shall elect from among its members a Chair and a Deputy Chair.

6. Adoption of resolutions by the Executive Board

(1) If the Executive Board consists of more than one member, it shall adopt its resolutions in meetings or by written ballot. The Chair or Deputy Chair shall extend a written invitation to all Executive Board members to attend the meeting, providing precise details of the agenda, or shall request them to take part in a written ballot. The Executive Board is quorate when at least two-thirds of its members are present at the meeting. At least two-thirds of the Executive Board members must take part in a written ballot. If the Executive Board meeting is not quorate despite invitations having been properly issued, the Chair or the Deputy Chair is to call a new meeting with the same agenda, which consequently shall always be quorate. Reference shall be made to the provision contained in this paragraph in the invitation to such a meeting.

(2) Resolutions shall be adopted with a simple majority of the members present or taking part in a written ballot, unless the Charter contains a different provision. Each member of the Executive Board has one vote. In the event of a tie, the Chair's vote shall decide.

(3) Minutes of meetings of the Executive Board are to be produced, signed by the chair of the meeting, and a copy sent to each of the Executive Board members and to each of the members of the Supervisory Board. Resolutions shall be recorded verbatim.

7. Responsibilities of the Executive Board, representation

(1) The Executive Board represents the Foundation both in and out of court. It has the status of a legal representative. If the Executive Board only consists of one member, he/she shall have sole powers of representation and is exempt from the restrictions per section 181 German Civil Code (*Bürgerliches Gesetzbuch*, BGB). If the Executive Board comprises two members, then during the period of office of Dr. Nina Scheer, the Foundation shall be represented by both Executive Board members individually. The other Executive Board member may only exercise his/her sole power of representation if Dr. Nina Scheer is unavailable. Otherwise, if the Executive Board comprises more than one member it shall act through two of its members, one of whom must be the Chair. Executive Board members who are authorised to represent the Foundation jointly may

authorise individuals among them to conduct certain regular business or certain types of regular business. Further details are provided in the rules of procedure of the Executive Board.

(2) The Executive Board shall decide on all fundamental matters and shall manage the Foundation in accordance with this Charter on their own responsibility. In doing so it shall fulfil the will of the founders as effectively and sustainably as possible. Executive Board members are duty bound to manage the Foundation's assets and other funds conscientiously and economically. In particular it is the responsibility of the Executive Board

a) to prepare the Foundation's budget;

b) to adopt resolutions concerning the use of income from the Foundation's assets and donations not accruing to these assets;

c) to produce the report on the fulfilment of the Foundation's purposes as well as the annual statement concerning the Foundation's incomes and expenditures and its assets (section 12 (2)); and

d) to appoint an auditor or firm of auditors if necessary (section 12 (3)).

(3) In principle, members of the Executive Board perform their activities on a voluntary and unpaid basis.

However, they are entitled to reimbursement of their necessary expenses which must be commensurate with the scope of their work and the charitable purpose of the Foundation. Depending on financial circumstances and the volume of work, members of the Executive Board may also be employed full-time or part-time. This shall be decided along with the level of remuneration by the Supervisory Board. Remuneration granted must also be commensurate with the scope of work and the charitable purpose of the Foundation.

(4) If the Executive Board comprises more than one member, it shall define rules of procedure for itself. These rules of procedure shall require the approval of the Supervisory Board.

8. Supervisory Board, Chair

(1) The Supervisory Board shall consist of at least three and not more than seven members who hold office on a voluntary and unpaid basis.

(2) Employees of the Foundation cannot be members of the Supervisory Board.

(3) Members' term of office is five years. Re-election is allowed. They are entitled to resign their position at any time. Following the end of their period of office, members of the Supervisory Board shall continue in office until their successors assume office if the minimum number of members would not be met otherwise.

(4) The five members of the first Supervisory Board are appointed by the act of foundation. Irmgard Scheer-Pontenagel is appointed for life and as Chair, Dr.-Ing. E. h. Frank H. Asbeck as Deputy Chair of the first Supervisory Board. All further members shall be appointed by the Supervisory Board by election or cooption.

(5) Members of the Supervisory Board may be dismissed from it for good cause. This decision requires a majority of the remaining members.

(6) The Supervisory Board shall elect from among its members a Chair and a Deputy Chair. This person shall call at least one meeting per year.

(7) Members of the Supervisory Board are not entitled to reimbursement of expenses or other costs.

9. Adoption of resolutions by the Supervisory Board

(1) The Supervisory Board adopts its resolutions in meetings or by written ballot. The Chair or Deputy Chair shall extend a written invitation to all Supervisory Board members to attend the meeting, providing precise details of the agenda, or shall request them to take part in a written ballot. The Supervisory Board is quorate when at least half of its members are present at the meeting. At least two-thirds of the Supervisory Board members must take part in a written ballot. If the Supervisory Board meeting is not quorate despite invitations having been properly issued, the Chair or the Deputy Chair is to call a new meeting with the same agenda, which consequently shall always be quorate. Reference shall be made to the provision contained in this paragraph in the invitation to such a meeting.

(2) Resolutions shall be adopted with a simple majority of members present or taking part in a written ballot, unless the Charter contains a different provision. Each member of the Supervisory Board has one vote. In the event of a tie, the Chair's vote shall decide.

(3) Minutes of meetings of the Supervisory Board are to be produced, signed by the chair of the meeting, and a copy sent to each of the members. Resolutions shall be recorded verbatim.

10. Responsibilities of the Supervisory Board

(1) The Supervisory Board advises, supports and oversees the Executive Board and its activities. In particular, it is its responsibility to adopt resolutions concerning

a) the Foundation's annual report per section 12 (3);

b) formal approval of the actions of the Executive Board;

c) recommendations for the management of the Foundation's assets and the use of the Foundation's funds;

d) any use of the Foundation's assets per section 3 (3);

e) the appointment and dismissal of members of the Executive Board;

f) approval of the Executive Board's rules of procedure (section 7 (4)).

(2) Furthermore, the Supervisory Board, together with the first Executive Board (Dr. Nina Scheer) shall decide on changes to the Charter, the dissolution of the Foundation and its merger with another foundation per section 13. The resolution can only be adopted unanimously. Following the departure of the first Executive Board from the Foundation, section 13 shall apply without restrictions.

11. Board of Trustees

(1) The Foundation can set up a Board of Trustees. It should consist of a minimum of three and a maximum of fifteen persons. Its members shall be decided by the Supervisory Board and the first Executive Board (Dr. Nina Scheer). Election of individual members of the Board of Trustees must always be unanimous. Following the departure of the first Executive Board from the Foundation, the Supervisory Board alone is appointed to elect members of the Board of Trustees.

(2) The Board of Trustees shall appoint from among its members a Chair and a Deputy Chair. This person shall call at least one meeting per year. Minutes of the meeting shall be produced and one copy shall be sent to each member of the Board of Trustees, the Supervisory Board and the Executive Board. Section 9 applies correspondingly to the adoption of resolutions by the Board of Trustees.

(3) In particular, it is the task of the Board of Trustees

- a) to advise the Executive Board;
- b) to foster international networks.

Further tasks may be specified by the Supervisory Board or by the Executive Board.

(4) Members of the Board of Trustees are not entitled to reimbursement of expenses or other costs.

12. Executive management, financial year

(1) The financial year is the calendar year. Accordingly the first financial year is a short financial year.

(2) The Executive Board is to record the incomes and expenditures of the Foundation and keep receipts, and is required to file accounts. At the end of each financial year, itemised lists of the Foundation's incomes and expenditures, and of its assets, shall be produced along with a report on the fulfilment of the Foundation's purposes.

(3) The Supervisory Board shall inspect and adopt the documents per (2) sentence 2 as an annual report. The Executive Board shall arrange for the Foundation to be audited by an auditor or firm of auditors if this is necessary due to the size of the Foundation. The audit assignment shall also include the preservation of the Foundation's assets and the use of the Foundation's funds in accordance with the Charter (income and any donations) as part of an audit report within the meaning of section 8 (2) of the Berlin Foundations Act (*Berliner Stiftungsgesetz*, StiftG Bln). In this case the Supervisory Board shall adopt as an annual report the report on the fulfilment of the Foundation's purposes and the audit report per sentences 2 and 3, which it thereby recognises.

13. Changes to the Charter, dissolution of the Foundation, merger with another foundation, transfer of assets

(1) Resolutions which change the Charter of the Foundation shall, subject to section 10 (2) and the following paragraph 2, be adopted with a simple majority of members of the Supervisory Board present or taking part in a written ballot.

(2) Resolutions concerning changes to the Charter which affect the purpose of the Foundation or concerning the dissolution of the Foundation or its merger with another foundation can only be adopted in a meeting of the Supervisory Board at which at least two-thirds of its members are present with a majority of three-quarters of the members present and with the votes of all Executive Board members, who must also be present. Such resolutions are only allowed in the event of a material change in circumstances, particularly if fulfilment of the Foundation's purposes has become impossible.

(3) If the Foundation is dissolved or if tax-privileged purposes are no longer applicable, the assets are to be transferred to EUROSOLAR e.V., The European Association for Renewable Energy, Kaiser-Friedrich-Strasse 11, 53113 Bonn, Germany, with the condition that they are to be used exclusively and directly for the public good.

14. Supervisory authority

(1) The Foundation is subject to the supervision of the Berlin supervisory authority in accordance with the provisions of the Berlin Foundations Act (StiftG Bln).

(2) Under section 8 StiftG Bln, members of the representative body are required

- a) to report without delay to the supervisory authority the respective composition of the governing bodies of the Foundation including the distribution of positions within the governing bodies, to document this (records of elections, letters of appointment, letters of acceptance or resignation, or other supporting documents), and to include the address of the Foundation and the home addresses of the members of the representative body;
- b) to submit the annual report adopted per section 12 (3); it should be submitted within four months following the end of the financial year; the Supervisory Board resolution should be included. If an audit report has been

produced by an auditor or by a firm of auditors and is to be submitted as an annual report, the time limit is eight months following the end of the financial year.

(3) Resolutions concerning changes to the Charter, the dissolution of the Foundation or its merger with another foundation (section 13 of the Charter) require the approval of the supervisory authority. An application for approval shall be filed with the supervisory authority by the Executive Board members who are authorised to represent the Foundation per section 7 (1).