



BY-LAWS OF THE *trustea* COUNCIL

Adopted by the members of the *trustea* Sustainable Tea Council ("**Council**") and the Board of Directors of the *trustea* Sustainable Tea Foundation ("**Company**") to regulate the functioning and activities of the Council.

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Article 1 - Role

1. The Council shall act as the representative organ for leading the multi-stakeholder program to improve the sustainability of the Indian tea industry through the voluntary adoption of the **trustea** code of conduct ("**trustea Program**").

The Council shall guide the strategy and the policy development of the **trustea Program** in accordance with the following aims of **trustea**:

- i. To encourage and implement practices leading to sustainability in Indian tea sector.
- ii. To encourage traditional and rural tea farmers/growers to adopt sustainable tea farming and manufacturing practices including facilitation to access market with their sustainable products and increasing their competitiveness through increased yield, farm organization, new technologies and supply chain development.
- iii. To encourage soil management, soil conservation and soil fertility practices based on climatic, soil and topographic conditions in the tea sector.
- iv. To encourage water conservation in the tea sector including with respect to withdrawing water from the natural resources and efficient irrigation systems to avoid water wastage.
- v. To promote compliance in the tea sector with recommendations of competent government institutions in respect of fertilizers including with respect to selection, application and storage of fertilizers; maintenance of proper records of purchase, dosage, storage and application dates with respect to the fertilizers; and risk assessment that considers disease transmission, weed seed content, method of composting, heavy metal content.
- vi. To encourage critical review in the tea sector of the use of crop protection products including on prevention of use of products banned by the central or state government and to encourage planning of integrated pest and weed management which promotes the use of physical, biological, mechanical and cultural methods.
- vii. To encourage food safety compliance in the tea sector including basic hygiene, cleanliness, adoption of disinfecting processes and strict adherence to maximum residue level regulation.
- viii. To encourage worker health and safety in the tea sector including educating participants on legislations on the subject matter, encouraging risk assessment practices, adoption of health and safety measures and development of action plans to prevent potential adverse effects on the health and/or working conditions of the workers.
- ix. To encourage labour practices in line with accepted international conventions and Indian labour laws in the tea sector including on issues of child labour, collective bargaining, prevention of bonded labour & people trafficking, equality of women workers, rights of temporary workers, working hours, overtime, holidays, working conditions and facilities and work environment of workers and prevention of mental, physical, sexual harassment of any kind.



- x. To encourage preservation and enhancement of the biodiversity in the relevant area including avoiding deforestation and developing procedures for reducing the negative effect of tea farming.
 - xi. To encourage waste management planning including specifying a procedure for safe storage, handling and disposal of hazardous and non-hazardous waste, waste management and organizing training for waste handling and management.
 - xii. To implement the **trustea** Code by, amongst other things, developing and implementing a process of certification of various participants in the Indian tea industry and in this regard to:
 - a. provide accreditation and empanelment to auditors for **trustea** verification and monitor quality of auditing;
 - b. manage the **trustea** verification certificates and producer compliance;
 - c. develop and manage a traceable chain of custody for **trustea** verified tea;
 - d. develop and manage a **trustea** code appeals and complaints procedure; and
 - e. Undertake any other activities as may be necessary for this purpose.
 - f. Undertake activities towards continual improvement
2. The Council will advise on any other matters, procedures, activities as it is required to do so in relation to the above.

Article 2 - Constitution of Council

1. The Council shall be constituted by members from the following membership categories:
 - a. Tea Buyers and Packers
 - b. Tea Producers and Manufacturers
 - c. Civil Society /Non-Governmental/ Multilateral Organizations
 - d. Research / Academia
 - e. Small Tea Grower representatives
2. Each member organization of the Council would be entitled to have 1 representative and 1 alternate that each of them would be entitled to nominate.
3. The initial composition of the Council will be:
 - a. Tea Buyers and Packers that would be entitled to have representation on the Council are as follows:
 - i. Tata Global Beverages Limited
 - ii. Hindustan Unilever Limited
 - iii. Gujarat Tea Processors & Packers Ltd
 - iv. FAITTA
 - v. Any other member of this category coopted if the participation criteria is fulfilled and approved by the Council



- b. The Tea Producers and Manufacturers that would be entitled to have representation on the Council are as follows:
 - i. Consultative Committee of Plantation Associations (CCPA)
 - ii. The United Planters' Association of Southern India (UPASI)
 - iii. Confederation of Small Tea Growers Association (CISTA)
 - iv. North-East Tea Association (NETA)
 - v. Indian Tea Association ITA
 - vi. Any other member of this category coopted if the participation criteria is fulfilled and approved by the Council
 - c. The Research and Academia that would be entitled to have representation on the Council are as follows:
 - i. Tea Research Association (TRA)
 - ii. UPASI Tea Research Foundation
 - iii. Any other member of this category coopted if the participation criteria is fulfilled and approved by the Council
 - d. The Civil Society/Non-Governmental/ Multilateral Organizations that would be entitled to have representation on the Council are as follows:
 - i. IDH, The Sustainable Trade Initiative (IDH)
 - ii. The Ethical Tea Partnership (ETP)
 - iii. UN Women
 - iv. Any other member of this category coopted if the participation criteria is fulfilled and approved by the Council
4. In case of change in the individual designated by any member to represent such member at the Council, the member should inform the Council of such change in writing.
 5. The Director of the trustea Sustainable Tea Foundation as provided shall serve as a non-voting ex-officio member of the Council

Article 3 - Removal or suspension of a member of the Council

1. A member of the Council loses their seat on the Council if the member:
 - a. is expelled from membership; or
 - b. is absent from 3 consecutive meetings of the Council without special leave of absence from the Chair of the Council; or
 - c. resigns by providing written notification to the Council with a notice period of at least three months.
 - d. A member of the Council shall not take part in the discussion and decision-making related to a grievance in which such member is involved.
2. A member may be expelled from membership of the Council on being declared insolvent and its insolvency having become final and conclusive or in the event of a member being granted



leave by a Court of Law temporarily to suspend the payment of his debts) or has been granted final debt restructuring.

Article 4 - Remuneration of the members of the Council

1. Members of the Council shall not receive financial remuneration for their activities.
2. The Company may partially or fully reimburse the Council members' travel and other expenses that they properly incur:
 - a. in attending the Council's meetings;
 - b. in attending any meetings of the Company;
 - c. in connection with the Company's activity.
3. The management of the Company shall decide on the reimbursement of Council members' expenses in line with the approved budget and the Company's travel policy.

Article 5 - Convocation of the Council

1. The Chair of the Council may, on such date and at such time and place as the Chair of the Council thinks fit, call a meeting of the Council.
2. A request from a member of the Council to call a meeting of the Council shall:
 - a. be in writing; and
 - b. be submitted to the Chair of the Council.
3. When a request from a member of the Council to call a meeting of the Council is made in accordance with article 5.2, the Chair of the Council shall, within 30 days of the receipt of the request, call a meeting, either physical or virtual.

Article 6 - Notice prior to the meetings

1. The notice for a meeting of the Council shall be in writing and specify:
 - a. the date and time;
 - b. the place if applicable; and
 - c. the draft agenda of the meeting.
2. The notice shall be given to each member of the Council:
 - a. in the case of a physical meeting, at least 30 days before the date fixed for the holding of the Council meeting.
 - b. In the case of a virtual meeting, at least 8 days before the date fixed for the holding of the Council meeting.
3. A meeting may be held at shorter notice, provided that the written consent of all members of the Council is obtained.
4. A request from one or more members of the Council to add an item for discussion or decision to the agenda of a meeting shall be formulated in writing and lodged with the Chair of the Council, copying the Code Director/General Manager of the Company:
 - a. in the case of a physical meeting, at least 20 days before the date fixed for the holding of the Council meeting.
 - b. In the case of a virtual meeting, at least 5 days before the date fixed for the holding of the Council meeting.



Article 7 - Participation in meetings

1. The members in the Council shall be committed to representing the best interest of the Company and **trustea** Program and to upholding the mission and long-term objectives of the Company and **trustea** Program.
2. The Chair of the Council may invite observers, without voting rights to attend a meeting of the Council.
3. The Chair of the Council shall inform the other members of the Council prior to inviting any observer.
4. At the request of the Director of the Company and with the agreement of the Chair of the Council, staff of the Company may be invited to attend and be present at a Council meeting, without voting rights.

Article 8 - Procedures of the meetings

1. The Council shall hold at least 2 meetings within every 12 calendar months.
2. At a meeting of the Council, the Chair of the Council shall preside.
3. In the absence of the Chair of the Council, a member nominated by the council for the specific meeting of the Council shall preside.
4. Every meeting shall be held in accordance with anti-trust guidelines.

Article 9 - Quorum

1. The quorum of the Council shall be constituted when:
 - a. at least 50% of the members of the Council attend the meeting;
 - b. At least one member of each category as stated in Article 2 above, that has more than one organisation on the Council attends the meeting; and
 - c. Either the Chair or the nominated Chair for the meeting of the Council attend the meeting. At a meeting, no decision shall be made by the Council unless a quorum is present.

Article 10 - Conflict of Interest

1. A conflict of interest may exist when the interests of a Council member, or their immediate family, or any individual, group or organisation to which said person is affiliated, may be in conflict with the interests of the Company or the **trustea** program, and therefore may (or may appear to) influence the Council member's decision making.
2. During any Council meeting, all Council members shall declare their interest that may be conflicting with the interest of the Company or the **trustea** program. Any other Council members, aware of an interest of another Council member that may be in conflict with the interest of the Company or the **trustea** program may also declare it.
3. When there is doubt, as to whether a conflict of interest exists based on the declared interest, the matter shall be decided by the Council, excluding the interested Council member.
4. Where a conflict of interest exists, the interested Council member:
 - a. May provide the Council with all relevant information on the matter;
 - b. May be excluded from the discussion on the matter by decision by consensus of the



Council; and

- c. Shall not participate in the final deliberation and not vote on the matter.
5. The minutes of any Council meeting shall reflect the conflicts declared and when the Council decided that a conflict of interest exists that the interested Council member did not participate in the decision making.

Article 11 - Decision Making

1. Every Member shall have one vote.
2. The Council can make decisions in physical and virtual meetings, by electronic correspondence or by a circular resolution. However, each member of the Council shall be entitled to request a formal (physical or virtual) meeting instead of the circular decision.
3. The Council shall seek to make decisions by consensus: in the event of disagreement, every effort shall be made to find consensus solutions to the issue at hand.
4. To enable consensus building, the Chair of the Council shall make every effort to obtain a fuller understanding of viewpoints through one-on-one discussion prior to the Council meetings.
5. If the Council is not able to reach a consensus on a decision item, the Chair of the meeting shall note the absence of consensus and may decide to resort to a vote by secret ballot.
6. In case the Council resorts to a vote by secret ballot to make a decision:
 - a. each member has one vote;
 - b. the ballot shall be secret;
 - c. the members of the Council not present at the meeting may be requested by the Chair of the meeting to vote by electronic correspondence.
7. In case the Council resorts to a vote by secret ballot to make a decision, questions arising at any meeting of the Council shall be decided by a majority of the members present, in the event of an equality of votes, the person chairing the meeting may exercise a second or casting vote. When the Council deliberates on any decision item other than as provided in article 8, a majority is required for the Council to make a decision: a simple majority of the members of the Council present, and at least one Council member of each membership category that has more than one organisation on the Council.
8. When the Council deliberates on a modification of the present Bye-laws, a qualified double majority is required for the Council to make a decision: a majority of two-thirds of the members of the Council combined with at least one Council member of each membership category that has more than one organisation on the Council.
9. When the Council deliberates on a decision item by electronic correspondence, it is required that at least 50% of the members of the Council combined with at least one Council member of each membership category that has more than one organisation on the Council express their approval for a decision to be made.?)
10. Notwithstanding anything stated in this article 11, and for the removal of doubts, any matter on which a decision has been taken by the Council is one which is required to be passed by a resolution of the Board of the Company or Members at a General Meeting of the Company in terms of the Companies Act, 2013, shall be referred to the Board as an agreed recommendation of the Council and shall then be passed in a Board meeting and/or General Meeting prior to giving effect to such matter.
11. The members of the Council shall, at all times, abide by all applicable laws and the code of conduct/ethics of all stakeholders.



Article 12 - Election of the office bearers of the Council

1. The Council shall elect the following office bearers: the Chair of the Council, and the Treasurer/Head of Audit Committee of the Council.
2. The office bearers shall be elected by the Council from amongst its members for two years, renewable if agreed to by consensus or will be open for election.
3. The Council shall elect the office bearers of Council by a plurality voting system (the single winner is the person with the most votes).
4. The vote shall be made by a secret ballot.
5. In the event of a dead-lock between two candidates, the Chair may decide that the Council will revote, or will exercise the Chair's casting vote, or to draw out of a hat the name of the appointed office-bearer.
6. An office of the Council as listed in article 12.1
 - a. Is attached to an individual; and
 - b. Cannot be transferred or transmitted to another individual.
7. An office bearer ceases to be an office bearer if the member:
 - a. is unable to perform their duties for a prolonged period;
 - b. resigns that office by written notice to the Council with a notice period of at least three months; or
 - c. the organisation he / she represents ceases to be a member of the Council as provided in article 3.1.
8. The trustea Code Director/General Manager cannot vote or be the chair of the trustea council.

Article 13 - Record of the meetings and decisions

1. The trustea designated representative shall document the entire meeting and all decisions taken by the Council with respective voting and election results.
2. Draft minutes of the meeting shall be circulated to all the members of the Council and the Director of the Company within 1 month after the meeting.
3. Members of the Council may send their comments on the minutes of the meeting to the designated trustea representative responsible for circulation during a two-week period after receiving the draft minutes.
4. After the aforesaid period of two-weeks expires, the designated trustea representative responsible for circulation shall circulate the final version of the minutes between the members of the Council and Chair will confirm his approval of the minutes by signing physically or approval accorded electronically.
5. A summary of the decisions of the trustea Sustainable Tea Council shall be made public as soon as practicable.

Article 14 - The Chair of the Council

1. The duties of the Chair of the Council shall be to:
 - a. Report on the Council's activity to the members of the Company as may be required by them.
 - b. Represent the Council and the **trustea** Program externally.
 - c. Convene and chair the meetings of the Council.



- d. Recommend appointment of the Director of the trustea Sustainable Tea Foundation on behalf of the Council.
 - e. Add an item on the agenda of a meeting of the Council at the request of a Council member.
 - f. Carry out any activity as mandated by the Council.
 - g. Invite observers to the meetings of the Council.
 - h. Have a casting vote in case of deadlock on a vote of the Council in terms of these Bye-Laws.
 - i. Exercise any right as agreed by the Council.
2. The Council may delegate specific tasks and respective decision-making to the Chair of the Council.
 3. The Chair of the Council may delegate specific tasks to Council members.

Article 15 - Treasurer /Audit Committee Head of the Council

1. It is the duty of the Treasurer/Audit Committee Head of the Council to:
 - a. Put in place an Audit/Finance Committee of a minimum of three members from the Council/or coopting any subject matter expert nominated by the representative category member of the Council committee
 - b. ensure that all money due to the Foundation is collected and received and that all payments authorized by the Foundation are made
 - c. ensure that correct books and accounts are kept showing the financial affairs of the Foundation including details of all receipts and expenditure connected with the activities of the Foundation;
 - d. ensure that an annual financial report is submitted to the Council together with the annual budget of each coming year.
 - e. Selection of a suitable Audit agency for Trustea Sustainable tea Foundation.

Article 16 - Executive Committee

1. The Council may require the Chair or other members of the Council to act as an Executive Committee and delegate specific tasks and respective decision-making power to such Committee.

Article 17 - Modification of the Bye Laws for the Council

1. The present Bye Laws of the Council are approved by members of the Council and the Board of the Company and adopted by the Council.
2. Any modification of the present Bye-Laws is to be approved by the Council in accordance with article 11 and the Board of the Company.
3. A request to consider any modification of the present Bye Laws may be formulated by:
 - a. The Chair of the Council; or
 - b. at least 50% of the members of the Council.
4. A request from at least 50% of the members of the Council to consider any modification of the present By-Laws must:
 - a. be in writing;
 - b. be lodged with the Chair of the Council; and



- c. Include a draft formulation for the suggested changes to the present By Laws.
5. In line with the articles 17(1) to 17(4), the Chair of the Council shall organise the deliberation of the Council on the request to modify the present By-Laws.

Article 18 - Language

1. The English version of the present Bye-Laws is the legally binding version and shall be considered as the reference in case of conflict of interpretation with any other versions.
2. The official language of the Council is English. However, official documents of the Council may also be translated into other languages as required.

Article 19 - Secrecy

1. Every member of the Council shall have deemed to have pledged itself/ himself/ herself/ and other gender affiliations to observe strict secrecy respecting all transactions of the Council and/or the Company and the state of account with individuals and in matters relating thereto and shall be deemed to have pledged not to reveal any of the matters which may come to its/his knowledge in the discharge of its/his duties except when required to do so by the Board of the Company/Company or by any court of law and except so far as may be necessary in order to comply with any of the provisions in these presents.

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