

**SFI® External Review Panel
Charter
Adopted June 7, 2007
Editorial Changes made September 14, 2010
Review Suggestions Incorporated: April 27, 2012, October 15, 2012, April 29, 2013,
October 20, 2020, and December 4, 2023**

The SFI External Review Panel is a distinguished group of independent experts representing U.S. and Canadian conservation, Indigenous, professional, academic, and public organizations.

Mission: The External Review Panel provides an ongoing, independent, quality-oriented review of the SFI program’s sustainability standards and advises the SFI Board of Directors on appropriate changes to help the program achieve its sustainability goals. It also ensures the SFI annual progress report and the data in it are objective, meaningful, credible, and fairly state the status of standards implementation.

Purposes and Objectives: The objectives of the External Review Panel are to:

- Provide independent perspectives and expertise to the evaluation of the SFI program’s sustainability standards.
- Contribute to quality assurance for the SFI program’s sustainability standards.
- Evaluate progress on continuous improvement of the SFI program’s sustainability standards.
- When requested, review SFI program public documents related to the SFI program’s sustainability standards for objectivity and credibility.
- Provide an independent review of standards setting as outlined in the current SFI Standard Requirements and any subsequent revisions.
- Ensure that the development and revision of the SFI Standards embodies an open, fair, and inclusive process that addresses the ideas forwarded through comments submitted.

Membership: The Panel’s membership will be selected to maintain a balance of technical skills and organizational experience. The total membership will be limited to nine (9) panelists. Panelists may be selected from:

Environmental/Conservation/Indigenous Organizations	3
Professional/Academic/Social Organizations	3
Public Agencies (Local, State, Tribal Governments, or Federal)	3

Officers: A Chair and one Vice-Chair will be elected at the Annual Meeting. Terms are one year, with unlimited re-election eligibility. The Chair moderates all meetings and manages Panel business between meetings in cooperation with the Executive Secretary. The Vice-Chair is available to assist the Chair upon request and fill the Chair’s role in the event the Chair is absent or unable to serve.

Management Committee: The two elected officers constitute the Management Committee of the Panel. The Management Committee shall provide oversight of the activities of the Executive Secretary, as well as provide leadership for the Panel during the year’s activities and review

process. It will lead the development of an annual work plan and budget for the Panel, negotiate needed agreements or approvals with SFI staff, and provide management oversight on the execution of the plan and budget.

Quorum and Voting: A quorum of the Panel, for purposes of conducting official business, shall be at least 50% of the voting membership of the Panel at the time that business is to be conducted. Participation in meetings and voting may be via conference call or other electronic means. Electronic voting by email is acceptable when required. A simple majority of those voting will be required when decisions are made by votes by the Panel.

Panel Terms: Panel members are elected to three-year terms, which begin on July 1 following the election and extend until June 30 of the appropriate year. Panelists whose full terms expire may be re-elected for one additional term. After serving two full three-year terms, a person will be ineligible for re-election until a period of one year has elapsed. Elected officers may retain Panel membership for one year beyond the expiration of their normal Panel terms to execute their elected office.

Membership Committee: A 3-person Membership Committee representing the three different categories of representation will be constituted each year to nominate candidates to fill vacant or expired terms on the Panel. The Committee will consist of three (3) panelists appointed by the Panel Chair, plus the Panel Chair and the Executive Secretary. One of the elected panelists will be selected to serve as Committee Chair. The Membership Committee will propose a slate of candidates who have indicated a willingness to serve. In the event of a vacancy, a candidate (or candidates) may be proposed at any time in the year, and the election held by email, telephone, or written polling of the Panel. Election of new panelists on the regular annual election cycle will be an official agenda item at the Annual Meeting. At the conclusion of the annual election, the Membership Committee will complete its term of service.

Compensation: Panelists will serve without compensation, except for the Executive Secretary (see below). Panelists will be reimbursed for normal travel expenses incurred on Panel activities. Requests for travel reimbursement may be made to SFI staff.

Participation: Panelists are expected to participate in the work of the Panel. Reasonable attempts to accommodate busy schedules will include the opportunity to participate by telephone, fax, email, and writing. If a Panelist is unable, over the course of a Panel Year, to participate in the Panel process, the Chair will discuss the situation with the Panelist. If continued non-participation seems likely, the Chair will ask for the Panelist's resignation.

Work Plan, Budget, and Funding: The Management Committee, with the assistance of the Executive Secretary will prepare a Proposed Annual Work Plan (on a calendar year basis). The plan will be provided to SFI staff for review and comment. Based on the Proposed Work Plan, Budget requests will be submitted to SFI staff or other funding sources. Upon receiving budget approval or funding for activities, the Panel will adopt a Final Work Plan. The Management Committee will oversee the implementation of the Work Plan. Amendments in the work plan or budget will be submitted to SFI staff for review and comment. Basic funding for Panel activities, travel, and Executive Secretary compensation will be provided by SFI. Funds received from non-

SFI, Inc. sources will be handled under an accounting system agreeable to the Panel and SFI staff. SFI may provide accounting services for the Panel. Full public disclosure of all ERP funding, funding sources, obligations, and expenditures will be available upon request.

Executive Secretary: The Panel may select a person to coordinate the staff support to the Panel's activities. Terms of service are negotiable between the Panel and the Executive Secretary. The Executive Secretary will work with the Chairperson to implement the Panel's activities. They will coordinate meeting arrangements, agendas, notes, and other materials as needed. The Executive Secretary will serve as corresponding secretary to the Panel, preparing correspondence, reports, and other communication as required or requested by the Chair. Compensation for the Executive Secretary will be provided by SFI, Inc. under a consultant agreement signed by both parties. An annual performance review shall be carried out cooperatively by the SFI staff. and the Chair of the Panel.

Dual Membership: No member of the Panel will simultaneously be a voting member of the Board of Directors of SFI.

SFI. Staff Support: SFI staff manages the data for the SFI program's sustainability standards implementation and provides summaries, interpretations, and other information to the Panel. All aggregated data that are not protected by individual company proprietary rights are accessible to the Panel. Staff may, upon request of the Panel and with SFI staff approval, provide additional support functions for Panel operations.

Activities and Responsibilities:

Review of the SFI Program. The Panel will review the SFI program's sustainability standards annually to evaluate their effectiveness in achieving accuracy, transparency, and credibility.

Review of the Annual Report. The Panel will review the draft *SFI Progress Report* for credibility and accuracy. Following the review and agreed-upon revisions of the *Progress Report*, the Panel will draft a letter explaining the results of the review. The letter will be published in the *Report*. If an individual Panel member objects to the revised *Report*, or the Panel's findings, they shall retain the option to not sign the letter. If requested, SFI staff will indicate in the *Report* which Panel Members do not support the findings of the Panel.

Handling of Complaints: SFI has a process for handling complaints related to governance (SFI Board of Directors) and executive functions (SFI President and CEO). Complaints will be brought to the full SFI Board, and a response will be provided following the next scheduled quarterly Board meeting. If the response is not to the satisfaction of the complainant, the complainant can appeal the decision and it will be brought to the SFI External Review Panel.

Standards Revision Comment Reviews. The Panel will review the disposition of all public comments received by SFI during standard revisions cycles. The role of the panel shall be to discern if comments receive equal treatment and are fairly considered based on their merits. If the Panel finds that comments were not adequately considered, the Panel shall request SFI to send the comments back to the review task groups, for additional consideration.

Standard Revision Formal Complaints.

Formal complaints regarding the disposition of comments shall be submitted in writing to the External Review Panel Secretariat (<http://sfierp.org/resources>) for review. The ERP shall acknowledge receipt of all complaints, impartially and objectively review all complaints, and provide feedback to the review task groups regarding complaints where additional review and potential action by the review task groups is warranted. Once resolved, the decision on the complaint and the complaint process shall be communicated to the complainant.

Preparation of Panel Reports. The Panel may, consistent with its Work Plan, undertake studies and reports on issues of concern to the accuracy, transparency, and credibility of the SFI program's sustainability standards.

Pro-active oversight and review activities. The Panel may, on its own initiative, establish studies of aspects of the SFI program's sustainability standards where it feels further improvement may be needed or possible in the implementation of the SFI program's sustainability standards or the *SFI Progress Report*. If such studies involve financial outlays, the Panel will either raise such funds from sources other than SFI. or seek SFI staff's concurrence.

Other Activities as Agreed As the SFI program evolves, the Panel may, with the agreement of SFI staff, enter into other activities that are mutually agreed to be consistent with its mission and role as an independent outside reviewer.

Revision of the Charter: This Charter may be revised under the following procedures: Revision proposals will be drafted and circulated to all Panelists and Liaison representatives in advance of the meeting at which the revisions will be considered. Acceptance of Charter revisions shall require a vote equal to two-thirds (2/3) of the Panel membership.