

Foundation for a Smoke-Free World, Inc.

Minutes of a Special Meeting of the Board of Directors

March 22, 2018

A meeting of the board of directors (the "Board") of Foundation for a Smoke-Free World, Inc., a Delaware Foundation (the "Foundation"), was held at the offices of Baker Hostetler, 1050 Connecticut Avenue, NW, Suite 1100, Washington, DC 20036, on March 22, 2018.

The following directors were present:

Dyborn Chibonga
Zoe Feldman (by video conference)
Lisa Gable
Michael Sagner
Martin Skancke (by video conference)
Derek Yach

The following guests were present:

Andrew MacLeod
Pamela Parizek

The following Foundation staff were present:

Tom Harding, Chief Administrative Officer and Chief Financial Officer
Jim Lutzweiler, Vice President of Agriculture and Livelihood
Farhad Riahi, Chief Health, Science, and Technology Officer
Elizabeth Thompson, Vice President of Strategic Partnerships
Elizabeth A. Smith, Secretary

The following legal counsel participated:

Edward J. Beckwith and Naomi Meisels, both of Baker & Hostetler LLP

Ms. Gable chaired the meeting. Ms. Smith called the meeting to order at 8:30 AM EDT. Ms. Smith confirmed that Notice of the meeting had been duly given and that a quorum was present. It is noted that Marian Jacobs has resigned from the Board and is no longer a director following pressure and personal attacks from critics of the Foundation.

[Board Action 2018:2:1] Approval of Previous Minutes

Ms. Smith noted that draft minutes of the prior Board meeting were previously circulated. She asked if there were any questions or corrections with respect to the minutes.

Upon motions duly made, seconded and unanimously carried, the Board adopted the following resolution:

RESOLVED, that the Minutes of the Meeting of the Board held by telephone on January 23, 2018, be, and they hereby are, approved and adopted.

[Board Action 2018:2:2] Election of Directors

Ms. Smith shared that Andrew MacLeod and Pamela Parizek have both agreed to join the Board. Ms. Parizek is a former lawyer, regulator and forensic accountant. She has served on non-profit boards and chaired audit committees in the past. Mr. MacLeod is a lawyer with a background in war crimes and humanitarian issues. He has worked at the Red Cross and the United Nations and has advised corporations on communications.

Upon motions duly made, seconded and unanimously carried, the Board adopted the following resolution:

RESOLVED, that Andrew MacLeod and Pamela Parizek be, and they hereby are, elected to serve as Directors of the Foundation.

Opening Remarks

The Chair welcomed everyone and shared her thoughts on the importance of three ongoing challenges for any Foundation: (1) an engaged, committed Board; (2) consistent, effective process; and (3) sustained credibility. She then outlined four short-term outcomes to address: (1) a fully functioning Board and committee process, (2) timelines based on qualitative and quantitative milestones, (3) a framework and guidelines for appropriate and accountable engagement with third parties and (4) a robust internal and external communication protocol.

[Board Action 2018:2:3] Establishment of new Board Committees and Procedures; Committee Name Change; and Committee Appointments

The Chair then addressed the establishment of new Board Committees and procedures and noted that the Board had been working to establish appropriate committees to support the work of the Foundation and the Board. Consistent with the Board maintaining complete and accurate records of their meetings, the Committees will also keep complete and accurate records and maintain contemporaneous minutes of its meetings which will be provided to the Secretary of the Foundation in a timely fashion and will be kept in the books of the Foundation. The Chair then briefly described the role of each Committee.

Upon motions duly made, seconded and unanimously carried, the Board adopted the following resolutions:

RESOLVED, that the Board hereby establishes the Executive, Ad Hoc Strategic Planning, Communications, Investment, Scientific Audit & Strategic Planning, and Signatory & Stakeholder Engagement committees;

RESOLVED, that each Board committee shall keep contemporaneous minutes of its meetings which shall be provided to the Secretary of the Foundation in a timely fashion to be formally reviewed and edited before being retained as part of the books of the Foundation.

The Chair noted that in working to establish appropriate committees, it had also been proposed that certain Board committees change their names to more accurately reflect their work and responsibilities. As an example, in addition to addressing senior staff compensation and Board honoraria, the Compensation Committee will be responsible for advising the full Board on all matters of Board governance, including the evaluation of the Board's performance and the identification of candidates to serve on the Board.

Upon motions duly made, seconded and unanimously carried, the Board adopted the following resolutions:

RESOLVED, that the name of the Compensation Committee shall be changed to the "Board Governance Committee;"

RESOLVED, that the name of the Public Health Grant Committee shall be changed to the "Health, Science and Technology Grant Committee."

The Chair then turned to the Board Committee Chart which was included in the Board meeting materials circulated to the Board Members in advance of the meeting and which sets forth the proposed membership of each Board committee. A discussion followed regarding the membership of certain of the committees and some additions to the committees were made.

Upon motions duly made, seconded and unanimously carried, the Board adopted the following resolution:

RESOLVED, that the committee assignments set forth in the Board Committee Chart, as amended, be, and they hereby are, authorized, approved and adopted in all respects.

A discussion ensued regarding the communications committee and the communications and strategy for engagement around the world. There followed a discussion about committee work and process, including the role of committees and the role of staff liaisons within the committees.

[Board Action 2018:2:4] Adoption of Foundation Policies

The Board discussed the Board Governance Policy, the Investment Policy, Anti-Corruption Policy and Certification, Grant Policy and Agreement and Prize and Award Policy, which were included in the Board meeting materials circulated to the Board Members in advance of the meeting. After discussion it was decided to amend the Board Governance Policy to allow the Board Chair to withhold honoraria in certain circumstances and to amend the Anti-Corruption Certification to conform its record keeping requirements to language used in other policies.

Upon motions duly made, seconded and unanimously carried, the Board adopted the following resolution:

RESOLVED, that the Board Governance Policy, the Investment Policy, Anti-Corruption Policy and Certification, Grant Policy and Agreement and Prize and Award Policy, be, and hereby are, adopted as policies of the Foundation.

President's Report

Dr. Yach gave a report on matters which have occurred since January, including the results of the global poll on attitudes toward smoking and smoking cessation and a submission made by the Foundation in February to the FDA.

Strategic Plan and Risk Assessment

Dr. Riahi led a discussion on a strategic plan for the Foundation, including marketing and communications, recent hires, research directions, and disruptive technologies. There was a robust discussion about the need for due diligence for all grantees, which will fall within Mr. Harding's purview as CAO/CFO. This led to a general discussion of office operations and logistics.

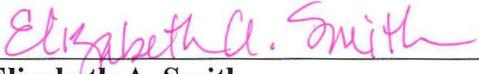
2018 Budget Plan, Crisis Communication

Mr. Harding presented a Proposed Budget Outline. Ms. Thompson led a discussion on Crisis Communications. The Chair then delivered a report on Meaningful Scientific Oversight.

Prior to moving into Executive Session, Ms. Smith reminded the directors that the next Board meeting would be conducted by telephone and was scheduled for 10:30 AM EDT on April 23, 2018. The meeting adjourned at 3:00 PM EDT.

IN WITNESS WHEREOF, I, the undersigned Secretary of Foundation for a Smoke-Free World, Inc., have duly attested to these Minutes of a Special Meeting of the Board of Directors of Foundation for a Smoke-Free World, Inc., effective as of March 22, 2018.

By Order of the Board:



Elizabeth A. Smith
Secretary