

**1 Name, registered office, purpose**Article 1:

An international non profit association is constituted for an unlimited duration. It may be dissolved at any time in accordance with the law and these bylaws. The name of the association is CSR Europe, the Business Network for Corporate Social Responsibility or abbreviated “CSR Europe” (the “**Association**”). The Association falls under the relevant provisions of the Belgian Code of Companies and Associations. CSR Europe falls under the judicial competence of the courts of Brussels.

Article2:

The registered office is in the Brussels Capital Region. The registered office may be transferred to any other location within Belgium by decision of the Board of Directors, which is to be published in the annexes to the Belgian Official Gazette.

Article 3:

The Association has no profit distribution motive and its purpose is, through professional exchange on a European level of best practices, to encourage and assist the companies in their efforts to foster corporate social responsibility and contribute to sustainable development. The Association aims to become, on European level, a reference on social corporate responsibility and strategies and act as a resource center for companies, as well as, but not limited to, for social partners, policy-makers, non-governmental organizations and academics.

To that effect the Association can without a profit distribution motive:

- a) identify and provide information on best corporate social practices;
- b) track emerging issues and trends;
- c) support research and organize workshops;
- d) develop practical business tools and facilitate and assist the development of projects
- e) provide for discussion and contact facilities with and between businesses, European and national officials, social partners, NGO’s and academics;
- f) provide services to its members and other organisations to enhance the managerial quality in dealing with sustainability issues;
- g) implement collaborative platforms;
- h) perform all other activities and acts which are related to its purpose or which are necessary or potentially useful for realizing its purpose.

The Association can realize its purpose in cooperation with other Belgian, foreign or international organizations and institution.

The Association develops its activities in Belgium and abroad.

## 2 Members

### Article 4:

The members of the Association are companies (“**Corporate Members**”) and membership, businesses driven not for profit organisations (“**National Partner Organisations**”) which the Board of Directors admits in accordance with the membership criteria approved by the General Assembly (if any) and provided that the candidate member has issued a statement to the Board of Directors in accordance with Article 5.

At any time the Association needs to have at least 6 members.

All legal entities that are members of the Association have to be validly constituted in accordance with the laws and practices of their country of origin.

### Article 5:

Any application for admission as a member is addressed in writing to the Board of Directors and includes a statement

- of approval of these bylaws, and
- of approval of the Internal Regulations
- as well as an undertaking to pay the membership fees.

The Board of Directors will take all reasonable measures in the execution of its duties to review applications within 5 working days. In case of formal objection by 1 or more members of the Board, the application will be voted upon at the next Board of Directors meeting, with a simple majority vote and in a sovereign way.

The candidate becomes a member of the Association for an indeterminate period upon an official acceptance letter sent by the Chair to the member and upon payment of the membership fee.

All members are entitled to withdraw from the Association by notifying their resignation in writing via registered mail to the Executive Director at the latest on the 30<sup>th</sup> of June. Such resignation shall however not liberate the member from its obligation to pay the membership fees or any other debt up to the end of the current financial year.

The exclusion of members of the Association must be asked by 2/3 of the members or may be proposed by the Board of Directors. Such an exclusion may be effected by resolution of the General Assembly deciding with a majority of  $\frac{3}{4}$  of the votes of the present or represented members, or by resolution of the Board of Directors with a  $\frac{3}{4}$  majority, without limitation, in the following situations:

- Conduct of a member that is materially injurious to the interests and/or initiatives of CSR Europe, which has not been remedied within 30 days after notification to the member (unless a longer term is reasonably required given the nature of the materially injurious conduct);
- Failure of a member to comply with an essential provision of the present Bylaws or the internal regulations approved by the General Assembly in accordance with Article 16, including, but not limited to, a failure to pay the annual membership fee within the payment term, provided that such breach has not been remedied within 30 days after notification to the member (unless a longer term is reasonably required given the nature of the material violation);
- Failure of a member to continue to meet the conditions in order to qualify as member of CSR Europe, which, if capable of remediation, has not been remedied within 30 days after notification to the member (unless a longer term is reasonably required given the nature of the materially injurious conduct).

Resigning or excluded members and their legal successors cannot assert any rights or claims over the assets of the Association.

#### Article 6:

The General Assembly has the right to determine memberships fees, upon proposition of the Board of Directors.

All the members must pay the annual membership according to a payment term fixed by CSR Europe.

### **3 General Assembly**

#### Article 7:

The General Assembly is composed of members of the Association present or represented at the meeting. Each member is entitled to one vote at the General Assembly.

The Chair of the Board of Directors presides the General Assembly. The Members of the Board of Directors, the Executive Director and members of the Association's staff are entitled to attend the meetings of the General Assembly.

The General Assembly has the following powers with a view to realising the Association's purpose:

- a) The approval of budget and accounts;
- b) Discharge of the directors and the auditor;
- c) The appointment and dismissal of directors and determination of their remuneration.
- d) The appointment and dismissal of the auditor, and determination of its remuneration.
- e) The modification of the bylaws;
- f) The approval and modification of the internal regulations;
- g) The dissolution of the Association;
- h) The exclusion of members;
- i) Approval of the membership fee;
- j) The election and dismissal of the Chair of the Association who is proposed by the Board of Directors;
- k) The decision on constitution of the Advisory Board.

Article 8:

The General Assembly meets by right following the convocation by the Board of Directors:

- (1) each year within 6 months after the end of the financial year;
- (2) when at least 1/5 of the members files a request to organize a general assembly.

The General Assembly meets at the office or any other place indicated in the notice of the meeting.

The Board of Directors may grant the members the possibility to attend meetings of the General Assembly by using any means of communication permitting them to take note of the discussions directly, simultaneously and continuously during the meeting, actively deliberate and cast an informed vote on all points on which the meeting has to decide, such as telephone- or videoconferencing combined with e-mail for the exchange of written documents. The notice whereby the General Assembly is convened must include a clear and precise description of the procedure that will be used for the remote participation.

Each member can also vote by letter or electronically prior to the General Assembly using a form drafted by the Board of Directors, containing the following mentions: (i) identification of the member, (ii) number of votes he is entitled to and (iii) for any decision that needs to be taken by the General Assembly according to its agenda, the notion "yes", "no" or "abstention". The forms may be communicated by letter, e-mail or any other means mentioned in article

2281 of the Civil Code and shall be deposited at the bureau of the meeting. Moreover, the Board of Directors may demand that they be provided to the Association at least three working days before the General Meeting.

Each member may also be represented at the General Meeting by a proxyholder. The proxies need to be signed. The proxies may be communicated by letter, e-mail or any other means mentioned in article 2281 of the Civil Code and shall be deposited at the bureau of the meeting. Moreover, the Board of Directors may demand that they be provided to the Association at least three working days before the General Meeting.

The notice of the meeting is dispatched by the Chair of the Board of Directors or the Executive Director, or by any other person appointed by the Chair of the Board of Directors.

The notice is sent at least fifteen (15) days prior to the meeting by email or, in case the member disagrees with this means, by registered letter. The notice specifies the items on the agenda and provides for details about dispatching relevant supporting documents. The notice is sent to each member of the Association to the latest address known to the Association.

An extraordinary General Assembly may be convened at any time when the interests of the Association so require.

#### Article 9:

Each member may authorize another member to represent it at the General Assembly by means of a proxy.

Unless otherwise provided for in these bylaws, the General Assembly shall be able to validly deliberate and adopt valid decisions in respect of the proposal concerned, only if a simple majority of the members are present or represented.

If at a General Assembly the required quorum is not reached, a second General Assembly shall be convened, in accordance with the same conditions as the first meeting and not earlier than 15 days from the date of this meeting. Such second General Assembly shall be able to definitely adopt valid decisions in respect of the proposal concerned, regardless of the numbers of present or represented members.

In exceptional cases when the interests of the Association so require, each decision that according to these bylaws falls within the scope of the powers of the General Assembly (with the exception of the decisions referred to in article 11 of these bylaws) may be adopted outside a meeting of the General Assembly, provided that the decision in writing and the Association can provide evidence that each member has been invited in writing to participate in the written decision making.

All members shall be notified in writing (by letter, electronic mail, or every other means of telecommunication that is materialized in a written document) of the result of the written decision making-

Article 10:

Except for the exceptions provided for in these bylaws, all decisions shall be adopted with a simple majority of the present or represented members. In case of a tie, it is the Chair who will have the casting vote.

The decision cannot be taken on the subjects which are not included in the agenda. The decisions of the General Assembly shall be reported in minutes, which are to be signed and kept by the Chair of the General Assembly and kept at the registered office. Upon their request, directors and members may receive a copy of such minutes.

In addition to the exceptions provided in these Bylaws, a decision is only valid and will be adopted if at the General Assembly a qualified double majority is reached, that is at least 50% of the Corporate Members and 50% of the National Partner Organisations present or represented at the meeting.

**4 . Amendments of the bylaws – dissolutions**

Article 11:

Without a prejudice to the application of the relevant provisions of the Belgian Code of Companies and Association, each proposal to amend the bylaws or to dissolve the Association has to originate from the Board of Directors or at least one fifth of the members of the Association.

The Board of Directors has to notify the members of the date of the General Assembly on which such proposal will be decided on, at least 15 days prior to such meeting.

A decision is only validly adopted if at the General Assembly two thirds of the members is present or represented.

If at the General Assembly the required quorum is not reached, a second General Assembly shall be convened, in accordance with the same conditions as the first meeting and not earlier than 15 days from the date of this meeting. Such second General Assembly shall be able to definitively adopt valid decisions in respect of the proposal concerned, regardless of the number of present or represented members.

In order to adopt the decisions:

- (1) A majority of two thirds of the votes is needed;
- (2) A majority of 4/5 is needed when the decisions concerns the modification of the social purpose or the voluntary dissolution of the Association.

Modification to the bylaws shall only come into force after their publication in the Belgian Official Gazette. They will be enforceable vis-à-vis third parties after the fulfilment of the publication formalities in accordance with the relevant provisions of the Belgian Code of Companies and Associations. In case of a modification of article 3 of the bylaws they will come into force after their approval by Royal Decree.

The General Assembly determines the method of dissolution and liquidation of the Association. Upon the liquidation, any liquidation boni will be used for a disinterested purpose that will be of a similar nature as the previous one.

## **Management**

### Article 12:

A Board of Directors composed of at least 5 and maximum 15 persons, manages the Association and its assets and decides on the strategic direction of the Association.

Inside the Board, the Directors do not represent their company or organization but the network of corporate and not for profit driven members.

Directors coming from the Corporate Members account for 4/5 of the total number of Board members, and directors coming from the National Partner Organisations account for 1/5 of Board members.

Each member shall have the right to propose a candidate director for selection and nomination by the Board of Directors.

The Board of Directors receives candidate application from members of the Association and establishes a list of nominated and eligible candidates. Such

list is submitted to the members for voting.

Eligible candidates have the right to use the contact list of the organization for communicating to the members about their application. The contact list will be provided to all members at the start of the election process.

However the secretariat of CSR Europe will not provide for any endorsement for or support to candidates during the voting process.

Candidates from Corporate Members are elected by their peers, united in a college of Corporate Members in the General Assembly. Candidates from National Partner Organisations are elected by their peers, united in a college of National Partner Organisations in the General Assembly.

Based on the votes, the Board of Directors ranks the candidates and establishes a list of nominated candidates. In case of equal vote for the lowest eligible rank/ranks, the Board also establishes a list of nominated candidates justifying its decision to nominate only one or some of the candidates with equal votes.

Such list of nominated candidates is submitted to the GA for approval.

The directors are appointed by the General Assembly by simple majority vote for a renewable term of 3 years, in the understanding that the period of the mandate only expires after the first ordinary or extraordinary General Assembly following the expiration of a period of 3 calendar years which expires after the ordinary General Assembly.

The directors may be re-elected.

Upon dismissal, resignation or death of a director the remaining directors have the right to provisionally co-opt a replacement director. The definitive decision on the appointment will be taken by the General Assembly at its first following meeting (in accordance with the provisions of this Article 12). The director, who is appointed as a replacement of a dismissed, resigning or deceased director, completes the mandate of the director whom he replaces.

If a director resigns, he will send a written notification, by registered mail or by e-mail, to the other members of the Board of Directors.

The mandate of director is unpaid.

Directors may be dismissed by the General Assembly, which decides on such dismissal with a majority of two thirds of the present or represented members. In case the General Assembly dismisses all directors at the same time, the nomination procedure set out in this Article 12 will not apply to the first appointment of directors following such dismissal.



Article 13:

The Executive Director is entitled to attend the meetings of the Board of Directors.

Article 14:

The Board meets at least once a year and each time when the interest of the Association so require pursuant to a special convocation by its Chair, two directors or the Executive Director.

A director may authorize another director to represent him at a meeting of the Board of Directors by way of a special power attorney.

The Board may only validly deliberate if at least one half of its members, with a minimum of three, is present or represented.

The directors may attend the meetings of the Board of Directors by using any telecommunication means permitting joint discussion, such as telephone- or videoconferencing.

In exceptional cases when the interest of the Association so require, each decision which according to these Bylaws falls within the scope of the powers of the Board of Directors (with the exception of the decision regarding the determination of the accounts and budget) may be adopted outside a meeting of the Board of Directors provided that the required majority, for such decision, of all directors of the Association has approved the decision in writing.

All members of the Board of Directors shall be notified in writing (by letter, electronic mail, or every other means of telecommunication that is materialized in a written document) of the result of the written decision making and the decisions taken in application of the written procedure shall be ratified on the first meeting of the Board of Directors by signing the minutes of the decision that was taken.

The Internal Regulations of the Association shall provide for further procedural rules to be followed in case of decision making outside a meeting of the Board of Director as to ensure the proper deliberation of the Board of Directors with respect to such decisions.

Article 15:

Unless otherwise provided herein, decisions of the Board of Directors shall be adopted by simple majority vote of the present or represented directors. In case of a tie, it is the Chair who shall have the casting vote.

The decisions are recorded in minutes, which are signed by the Chair of the Board and kept by the Executive Director at the registered office. Upon their request, directors and members may receive a copy of such minutes.

Article 16:

The Board of Directors is vested with all powers of management and disposal and may decide all that matters and perform all acts which are necessary or useful for the realization of the purpose of the Association, with the exclusion of those powers, decision and acts which fall within the scope of the General Assembly.

The Board of Directors also has the power to draw up Internal Regulations, subject to final approval of the General Assembly.

The Board can delegate the daily management of the Association, as well as the tasks referred to in article 19, to the Executive Director who will execute the daily management under the supervision of the Board of Directors.

The Executive Director is appointed by the Board of Directors for an unlimited term by simple majority vote of the present or represented board members. The Executive Director may be dismissed by the Board of Directors which decides on such decision with a majority of two third of all its members.

The Board may, after having decided in accordance with article 14 and 15 of these bylaws, moreover under its own responsibility delegate specific powers to one or more other persons by means of a power of attorney. Such delegations shall include both the power to decide such matter as well as representation vis-à-vis third parties. Any power of attorney by the Board of Directors referred to in this paragraph shall be valid when signed by two directors. The holder of any such power of attorney is not required to submit any evidence vis-à-vis third parties of the decision of the Board of Directors to delegate the powers concerned, other than the power of attorney the holds.

The Executive Director will be entrusted with the implementation and the daily management in accordance with the approval matrix as determined in the Internal Regulations and the special delegation of management and representation powers granted by the Board of Directors.

Article 17:

Without prejudice to the last paragraph of Article 16, the following paragraphs of this Article and Article 18, all documents and all other acts which bind the Association need to be signed by two directors, who are not required to submit any evidence vis-à-vis third parties of the power granted to them to represent the Association nor of any decision of the Board of Directors relating to the matter concerned.

All documents and all other acts which bind the Association with respect to matters which fall within the daily management of the Association may validly be signed by the Executive Director acting separately, who are not required to submit any evidence vis-à-vis third parties of his power to decide on, perform and represent the Association with respect to, the matter concerned.

Article 18:

The Board of Directors represent the Association either as plaintiff or defendant in all legal proceedings and is represented for that purpose by its Chair, a Director or Executive Director who is appointed by the Board of Directors to that effect.

**5 Daily management**Article 19:

The Executive Director shall be entrusted with:

- a) the performance of the daily management of the Association and the power to represent the Association in this respect and in accordance with such other representation powers as may be granted to the Executive Director in accordance with these Bylaws and internal regulations duly approved by the General Assembly in accordance with article 16;
- b) the preparation of the meetings of the Board of Directors, the General Assembly and the Advisory Board;
- c) the preparation of budget and accounts;
- d) the execution of the decisions of the Board of Directors and other tasks assigned to him by the Board of Director.

**6 Advisory Board**Article 20:

Based on the proposal of the Board of Directors and in line with article 7 of the Bylaws, the General Assembly may decide on the constitution of an Advisory Board and its governance and tasks. The overall purpose of such an Advisory Board is to contribute to the high level visibility, authority and reputation of the association within the business community, public authorities and other stakeholders.

Article 21:

The Chair of the Board of Directors and the Executive Director are entitled to attend the meetings of the Advisory Board.

The Advisory Board activities are reported in every meeting of Board of Directors.

**7 Budgets and accounts**Article 22:

Each financial year will close on 31 December of each calendar year.

The Board of Directors shall submit the accounts of the previous financial year and the budget for the next year to the General Assembly for approval.

**8 Miscellaneous**Article 23:

With the respect to everything which is not provided by these bylaws and in particular with respect to the publications in the annexes to the Belgian Official Gazette, the applicable provisions of the Code of Companies and Association shall be complied with.

The version of the Internal Regulations as lastly drawn up by the Board of Directors and approved by the General Assembly of < .... > In the event of a modification of the internal regulations, the Board of Directors will be authorized to amend the reference to the latest version of the internal regulations in this Article 24, in accordance with the applicable provisions of the Belgian Code of Companies and Associations.

Article 24:

If the calculation of fractions provided for in the provisions of these bylaws result in a figure containing a decimal, such figure shall be rounded to the closest whole number (0.5 will be rounded upwards).