

## **CSR EUROPE**

*International non profit association*

### **BYLAWS**

As modified by the general assembly of the 18 June 2015

#### **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 of abbreviated "CSR Europe".

The association falls under the provisions of Section III of the Belgian Law of 27 June 1921 on non profit associations, international non profit associations and foundations in respect of modifications of 2<sup>nd</sup> May 2002.

CSR Europe falls under the judicial competence of the courts of Brussels.

##### Article 2:

The registered office is located at Victor Oudart 7, 1030 Brussels.

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 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 centre 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-making 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; 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 the founders, as well as those companies and those membership businesses driven not for profit organisations which the Board of Directors admits.

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 endorsement by signature of the association's mission for the entire term of the membership, 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.

Membership of the association runs by the financial year. (January-December) If a member joins in the financial year, the membership fee for that year will be calculated pro rata.

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 has to be asked by 2/3 of the members or may be proposed by the Board of Directors having heard the members. The General Assembly decides on the exclusion with a majority of ¾ of the votes of the present or represented members.

Resigning or excluded members and their legal successors cannot assert any rights or claims over the asset 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 have to 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 Chairman 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.

These powers of the General Assembly include the following matters:

- a) The approval of budget and accounts;
- b) Discharge of the directors;
- c) The appointment and dismissal of directors;
- d) The modification of the bylaws;
- e) The dissolution of the association;
- f) The exclusion of members;
- g) Approval of the membership fee;
- h) The election and dismissal of the President of the Association who is proposed by the Board of Directors;
- i) 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 notice of the meeting is dispatched by the Chairman of the Board of Directors or the Executive Director, or by any other person appointed by the Chairman of the Board of Directors.

The notice is sent at least eight 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 stated in the books of 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 him at the General Assembly by means of a special power of attorney. Each member may not carry more than two such powers of attorney however.

Unless otherwise provided for in these bylaws, the General Assembly can only deliberate validly 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 definitively adopt valid decisions in respect of the proposal concerned, regardless of the number of present or represented members.

In exceptional cases when the urgency and the interests of the association so require, each decision with 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 of the result of the written decision making.

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 General Assembly as to ensure the proper deliberation of the General Assembly with respect to such decisions.

#### 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 President 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 registered in a special book of minutes, which is to be signed and kept by the Chairman of the General Assembly and the Executive Director, who shall keep such book available to the members.

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 member Companies and 50% of the National Partner Organisations

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

##### Article 11:

Without a prejudice to the application of article 55 of the Law of June 27 1921 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 three months prior to such meeting.

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

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 articles 51§3 and 51§5 of the law 27 June 1921. In case of a modification of article 3 of the bylaws they will come into force after their approval by the minister of Justice or his representative.

The General Assembly determines the method of dissolution and liquidation of the association. Upon the liquidation, any liquidation boni will be used for a non-profit 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 assets 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 member company account for 4/5 of the total number of Board members, and directors coming from the business driven not for profit member organizations 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 members for voting.

Eligible candidate 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 CSR Europe Secretariat will not provide for any endorsement for or support to candidates during the voting process.

Candidates from member companies are elected by their peers, united in a college of corporate members in the General Assembly. Candidates from business driven not for profit member organizations are elected by their peers, united in a college of business driven not for profit organizations 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 Article 12 par.1 and 2 above). 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 Article 12 par. 2 above 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 Chairman, 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. Each director may only carry one such power of attorney however.

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

In exceptional cases when the urgency and 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 and that the adoption of the decision has been preceded by a conference call between all the Board of Directors and the association can provide evidence that each director has been invited in writing to participate in the written decision making and that each director accepted the application of the written procedure.

All members of the Board of Directors shall be notified in writing 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 simply majority vote of the present or represented directors. In case of a tie, it is the Chairman who shall have the casting vote.

The decisions are recorded in a special book of minutes, which is signed by the Chairman of the Board and one other director and kept by the Executive Director at the registered office.

The Executive Director makes the special book of minutes available to the directors and the members of the association.

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 and approve internal regulations.

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 term daily management when used in these bylaws shall be construed as this term is construed by the courts with respect to commercial company.

The Board of Directors has to define the approval chart.

The internal regulations of the association may provide for further specification of tasks to be performed under daily management. 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 attorney. Such delegations shall include both the power to decide such matter 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 need 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 table of authorisations.

#### 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 need not 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 need not 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 Chairman or an Executive Director who is appointed by the Board of Directors to that effect.

### **5 Daily management**

#### Article 19:

The Board of Directors can delegate the daily management to the Executive Director, who may act, decide and represent the association with respect to the matters in accordance with article 16.

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;
- 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 Directors.

### **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.

The Advisory Board, if constituted, will be chaired by the President of the association and shall have the following tasks:

- a) Advise the Board of Directors in relation to the overall strategy and policy of the association addressed to the General Assembly and the Board of Directors;
- b) Contribute to the high level visibility, authority and reputation of the association within the business community and vis-à-vis the public authorities and other stakeholders, though excluding any powers legally to bind the Association with respect to any third parties.

Article 21:

The Board of Directors proposes the composition and specific mission of the Advisory Board.

Article 22:

The Chairman 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 23:

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 24:

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 statutory provisions shall be complied with.

Article 25:

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).