



## Articles of Association

<b>I.</b>	<b>Name and Registered Office</b>	<b>2</b>
<b>II.</b>	<b>Objectives</b>	<b>2</b>
<b>III.</b>	<b>Resources</b>	<b>3</b>
<b>IV.</b>	<b>Membership</b>	<b>3</b>
<b>V.</b>	<b>Bodies</b>	<b>5</b>
<b>VI.</b>	<b>Council</b>	<b>5</b>
<b>VII.</b>	<b>Executive Committee</b>	<b>7</b>
<b>VIII.</b>	<b>CEO and Senior Management Team</b>	<b>8</b>
<b>IX.</b>	<b>Auditor</b>	<b>8</b>
<b>X.</b>	<b>Financial Year</b>	<b>8</b>
<b>XI.</b>	<b>Dissolution</b>	<b>9</b>
<b>XII.</b>	<b>Miscellaneous</b>	<b>9</b>



## I. Name and Registered Office

### Article 1

World Business Council for Sustainable Development (WBCSD) (hereinafter called the “**Association**”) is an association governed by the present Articles of Association and, secondarily, by Article 60 et seq. of the Swiss Civil Code. The Association is neutral politically and non-denominational. The Association’s registered seat is the commune of Geneva, canton of Geneva, Switzerland.

## II. Objectives

### Article 2

2.1 The Association is a coalition of international companies that share a commitment to the principles of sustainable development via the three pillars of i) economic development, ii) ecological balance and iii) social progress. The Association benefits from a global network of national and regional business councils and partner organizations representing a large and diversified group of business leaders.

2.2 The objectives of the Association shall be:

Business leadership:

- to be a business thought leader and advocate for sustainable development.

Policy development:

- to participate in policy development to create the right framework conditions for business to make an effective contribution towards sustainable development.

The business case:

- to develop and promote the business case for sustainable development.
- To develop scalable business solutions, and promote their implementation, for sustainable development.

Best practice:

- to demonstrate and measure the business contribution to sustainable development solutions and share leading edge practice among Members (as defined in Article 4.2).

Global outreach:

- to contribute to a sustainable future for all nations.



The activities of the Association will be carried out worldwide.

### III. Resources

#### Article 3

- 3.1 The Association is a non-profit organization and shall, amongst others, be financed by annual membership fees. These shall be payable at the beginning of each financial year at levels to be recommended by the Executive Committee and approved by the Council.
- 3.2 The liability of Members will be limited to payment of their annual membership fees.
- 3.3 The Association can also be financed by other incomes, such as fees charged for services, donations, gifts and contributions to program expenses.
- 3.4 The funds received shall be deployed following approval of the annual budget by the Council in conformity with the Association's objectives.
- 3.5 The membership fees will not change within a three year period.

### IV. Membership

#### Article 4

- 4.1 Eligible to become a Member of the Association are companies from around the world seeking to provide business leadership in sustainable development and environmental performance. Such companies are invited to join the Association by invitation of the CEO following approval by the Executive Committee.
- 4.2 "**Members**" are companies which have accepted the invitation to join the Association as referred to in Article 4.1 and which have explicitly accepted in writing to adhere to the Association's membership conditions (hereinafter called the "**Membership Conditions**") as referred to in Article 4.4. Members shall actively support the work of the Association through making their in-house competence and appropriate manpower resources available.
- 4.3 Every Member shall comply with the Articles of Association and applicable charters of the Association (in French: Règlement d'organisation), as well as with all decisions taken in accordance therewith. Throughout the duration of the membership, each Member should adhere to the applicable Membership Conditions.



wbcasd

- 4.4 The Membership Conditions are detailed by the Council in a separate document. All amendments of the Membership Conditions must be approved by the Council as referred to in Article 6.7. Each case of non-adherence to the Membership Conditions will be reported to the ExCo for review and discussion.
- 4.5 The Executive Committee may terminate a membership of its members if, in its view and after due consultation, members do not comply with their obligations as set out in the present Articles of Association.
- 4.6 In case of exclusion based on just cause laid down in the Articles, the Member excluded cannot sue the Association or otherwise claim damages from the Association with respect to this exclusion
- 4.7 In any case, membership ceases:
  - upon dissolution, liquidation, bankruptcy of the Association or the relevant Member;
  - by written resignation notified by the Member to the CEO of the WBCSD no later than 45 calendar days prior to the end of the calendar year, with membership resignation taking effect as of the first day of the following year;
  - by exclusion ordered by the Executive Committee, for just cause and for non-adherence to the conditions laid down in the Membership Conditions.
- 4.8 In all cases of termination of membership, the membership fee for the current year remains due. Members who have resigned or who are excluded have no rights to any part of the Association's assets.
- 4.9 Only the assets of the Association may be used to meet the Association's commitments. Members have no individual responsibility.



## V. Bodies

### Article 5

5.1 The Association's bodies are:

- the Council (in French "l'Assemblée Générale");
- the Executive Committee (in French "la Direction");
- the Auditor (in French "l'Organe de revision").

## VI. Council

### Article 6

6.1 The Council is the Association's supreme authority. It is composed of all the representatives of the Members (hereinafter called the "**Council Members**"). Each Member shall be represented on the Council through its CEO or an executive board level representative. Any exception to this would require prior approval of the Executive Committee.

6.2 The Council will meet to discuss strategic issues related to sustainable development, and to decide on the direction of the Association.

6.3 The General Meeting of the Council Members shall be chaired by its Chair, which is in principle the Chair of the Executive Committee or, in its absence, a member of the Executive Committee appointed by a majority of other members of the Executive Committee present.

6.4 The Annual General Meeting of the Council Members shall take place each year within 12 months of the Association's financial year and shall be convened by the Chair of the Executive Committee.

6.5 The Council may also meet in an extraordinary session whenever necessary. An Extraordinary General Meeting of the Council Members may be convened at any time by the Chair of the Executive Committee.

6.6 The extraordinary general meeting of the Council Members must be convened by the Chair of the Executive Committee within 45 days of receipt of request for such a meeting from Council Members representing 20% of the Council Members. This request shall specify the reasons for holding an extraordinary general meeting of the Council Members.



- 6.7 The Council shall have the following exclusive powers and duties:
- to adopt and amend the Articles of Association;
  - to supervise the activities of the other bodies;
  - to dismiss the other bodies;
  - to dissolve the Association;
  - to grant discharge to members of the Executive Committee;
  - to appoint the auditors of the Association;
  - to take the decision deriving from the Swiss Merger Act of 3 October 2003;
  - to determine and amend the “Executive Committee Charter” in accordance with Article 7.2;
  - to determine and amend the Membership Conditions as referred to in Article 4.4.
- 6.8 In addition, the Council shall have the following non-exclusive powers and duties:
- appoint the members of the Executive Committee;
  - determine the mission, strategic direction and priorities of the Association;
  - approve the Association’s annual membership fee;
  - approve the Association’s annual budget;
  - determine any other business within its competence;
  - delegate any competence with respect to the management of the Association to the Executive Committee to the extent that the competence is not listed in Article 6.7 above.
- 6.9 The Chair shall inform Council Members in writing of the date of the annual / extraordinary general meeting of the Council Members, at least 30 days before the date of the meeting. The notification shall indicate the time and place for the meeting.
- 6.10 The notification shall also indicate the agenda for the general meeting of the Council Members. Except for amendments to the Articles of Association, items may be added under any other business unless opposed by a majority of those present.
- 6.11 The quorum for a general meeting of the Council Members at which decisions are to be taken concerning amendments to the Articles of Association, the dissolution of the Association, or the merger of the Association with another, shall be reached when at least the majority of Council Members are present or represented at the general meeting of the Council Members by written proxy given to another Council Member present at such meeting, or the Chair. No quorum is required at general meetings of the Council Members where no such decisions are taken.



- 6.12 Decisions to amend the Articles of Association, the dissolution of the Association, or the merger of the Association with another require a two third majority of Council Members present (or represented at the meeting by written proxy given to another Council Member present at the meeting, or the Chair).
- 6.13 Other decisions require a simple majority of members represented at the meeting by their Council members or by proxy given to another Council member, or Chair
- 6.14 In case of an equality of votes, the Chair of the Council shall have a casting vote.

## **VII. Executive Committee**

### **Article 7**

- 7.1 The day to day management of the Association shall be delegated to the Executive Committee (with power to further delegate).
- 7.2 The Executive Committee shall be organized freely as detailed in its charter to be approved and amended through a valid resolution of the Council. Accordingly, the Executive Committee can establish and revoke committees and appoint the members of its committees.
- 7.3 The Executive Committee is authorized to carry out all acts necessary or helpful to pursue the purposes of the Association and to manage the Association's business.

In particular the Executive Committee is competent to:

- appoint the CEO;
  - approve the work program;
  - agree an annual budget for approval by the Council;
  - approve the annual report and accounts;
  - approve reports and executive briefs released in the name of the Association;
  - handle membership issues in accordance with the Articles of Association;
  - propose internal regulations (including Membership Conditions);
  - appoint signatories for the Association;
  - authorize as required representatives who may bind the Association and dispense its funds.
- 7.4 Members of the Executive Committee can serve up to a maximum of three consecutive or non-consecutive terms of two years each, commencing the 1<sup>st</sup> day of January following their appointment by the Council



wbcasd

## **VIII. CEO and Senior Management Team**

### **Article 8**

- 8.1 The Executive Committee delegates to the CEO the responsibility for the day-to-day management of the Association.
- 8.2 The CEO may receive a salary, the amount of which is determined by the Executive Committee.
- 8.3 In the execution of its duties, the CEO may be supported by the Senior Management Team.

## **IX. Auditor**

### **Article 9**

The Council shall appoint an independent internationally recognised company of auditors established in Switzerland for a period of three years. The auditor shall audit the accounts of the Association and draw up a relevant report to be submitted to the annual general meeting of the Council Members.

## **X. Financial Year**

### **Article 10**

The Association's financial year shall correspond to the calendar year.



wbcasd

## **XI. Dissolution**

### **Article 11**

- 11.1 The Association shall be established for an indefinite period.
- 11.2 In the event of the dissolution of the Association, liquidation shall be entrusted to the Chair unless the Council designates otherwise.
- 11.3 In the case of the association being dissolved, the assets should be transferred to a nonprofit organization pursuing goals of public interest similar to those described in article 2 of these Articles of Association.

## **XII. Miscellaneous**

### **Article 12**

- 12.1 The Association is registered in the Register of Commerce in Geneva, Switzerland.
- 12.2 The official language of the Association shall be English. The Constitution, charters and minutes, as well as all documents submitted to the Council shall be drawn up in English.