

TEXT of the articles of association of **OIKOCREDIT, Ecumenical Development Cooperative Society U.A.**, with corporate seat in Amersfoort, after partial amendment to the articles of association, by deed executed before a deputy of Maria Francisca Elisabeth de Waard-Preller, civil law notary in Rotterdam, on 30 July 2018.

Trade Registry number 31020744.

This is a translation into English of the original Dutch text. An attempt has been made to be as literal as possible without jeopardizing the overall continuity. Inevitably, differences may occur in translation, and if so the Dutch text will by law govern.

## **PREAMBLE**

The purpose of OIKOCREDIT, Ecumenical Development Co-operative Society U.A. is to mobilize financial credit and resources in order to further development of the poor areas of the world. The finances shall originate from among the member churches of the World Council of Churches and others who support sustainable development as a liberating process through economic progress, social justice, independence and as well as environmental and climate protection. The Society was launched under the inspiration of the World Council of Churches and was incorporated on the fourth day of November nineteen hundred and seventy-five in Rotterdam. It will be sustained by ecumenical principles, insights and fellowship.

## **TITLE I**

### **ARTICLES OF ASSOCIATION**

#### **DEFINITIONS AND INTERPRETATION**

##### **Article 1**

**1.1** In these articles of association the following definitions shall apply:

<b>Share</b>	a share in the capital of the Society.
<b>General Meeting</b>	the body formed by the Members.
<b>DCC</b>	the Dutch Civil Code ( <i>Burgerlijk Wetboek</i> ).
<b>Society</b>	the legal entity to which these Articles of Association relate.
<b>Annual Accounts</b>	the annual accounts of the Society as referred to in Article 44.
<b>Audit Committee</b>	the audit committee of the Society as referred to in Article 33.
<b>Member</b>	a member of the Society.
<b>Managing Board</b>	the managing board ( <i>bestuur</i> ) of the Society.
<b>Managing Director</b>	the managing director as referred to in Article 38.
<b>Moderator</b>	the moderator as referred to in Article 25.
<b>Nomination Committee</b>	the nomination committee of the Society as referred to in Article 24.
<b>Personnel Committee</b>	the personnel committee of the Society as referred to in

	Article 32.
<b>Policy Committee</b>	the policy committee of the Society as referred to in Article 27.
<b>Project Members</b>	the members as referred to in Article 5.2c.
<b>Supervisory Board</b>	the supervisory board of the Society.
<b>Register</b>	the register as referred to in Article 9.2.
<b>Articles of Association</b>	the articles of association of the Society.
<b>Simple Majority</b>	more than fifty percent (50%) of the votes validly cast.
<b>1.2</b>	Terms that are defined in the singular shall have the corresponding meaning in the plural and vice versa.

## TITLE II

### NAME AND SEAT

#### Article 2

- 2.1** The name of the Society is: **OIKOCREDIT, Ecumenical Development Cooperative Society U.A.**
- 2.2** The Society is a cooperative society possessing corporate status according to the laws of the Netherlands.
- 2.3** The registered office of the Society is situated in Amersfoort, but it may establish branches outside Amersfoort both in and outside the Netherlands.

### OBJECTS AND POWERS OF THE SOCIETY

#### Article 3

- 3.1** The purpose of the Society is to promote the interest of its Members in the field of co-operation in the development process and to promote economic growth together with social justice and self-reliance, in the poor areas of the world, in a manner consistent with the moral and social principles of the World Council of Churches. The development process shall be promoted through loans on concessionary terms, direct investments, grants and guarantees of loans made in accordance with responsible financial management and through education and guidance with regard to the mobilisation of financial resources.
- 3.2** For the realisation of its purpose, the Society may engage in any financial activities, taking due regard to adequate returns of the funds invested, appropriate safeguards and sustainability criteria. It may without restriction, buy and sell, for its own account or for the account of third parties, securities quoted or not on stock exchanges; make loans, guaranteed or not guaranteed; manage real estate and endowment for its own account or for the account of third parties; underwrite in any commercial, industrial or financial enterprises any type of participation, for its own account or for the account of third parties. The Society may acquire, hold and dispose of property both movable and immovable. It may borrow funds for its work. The Society may also provide or arrange technical co-operation for the preparation, financing and execution of development projects and programmes, including the formulation of specific project proposals, and where necessary, do so in co-operation with other institutions. The Society may co-operate with other institutions where appropriate in the furtherance of its objectives.

### DURATION OF SOCIETY

**Article 4**

The duration of the Society is indefinite.

**TITLE III****MEMBERSHIP****CATEGORIES ELIGIBLE FOR MEMBERSHIP - ADMISSION PROCEDURE****Article 5**

**5.1** Membership of the Society is open to:

- I.** member churches of the World Council of Churches;
- II.** churches that are not members of the World Council of Churches;
- III.** sub-divisions of churches;
- IV.** councils of churches;
- V.** support associations;
- VI.** church-related organisations;
- VII.** Project Members; and
- VIII.** other organisations that in addition to investing in the Society aim actively to promote the mission of the Society and meet the criteria contained in Article 5.2.d below.

**5.2** The Members of the Society are the following:

- a.** The founders, namely, the World Council of Churches and the Council of Churches in the Netherlands, who have formed and established the Society.
- b.** Others belonging to one of the categories I to VI who have subsequently been admitted by the Supervisory Board pursuant to an application filed by them in writing in which the applicant has at the same time declared acceptance of the Articles of Association, and have acquired at least the minimum number of Shares specified in Article 10;
- c.** Project Members, being project partners who over a period of at least five (5) years have met their contractual obligations towards the Society and who at the invitation of the Supervisory Board have been admitted into membership provided they agree to submit to the Articles of Association and invest the minimum number of Shares as prescribed in Article 10;
- d.** Organisations that at the invitation of the Supervisory Board have been admitted to membership, provided they:
  - i.** have a mission and objectives that closely align with the Society's mission;
  - ii.** are democratically organised to reflect the views of the constituency or membership; and
  - iii.** invest at least fifty-thousand euro (EUR 50,000) in Shares.

**5.3** The Managing Board, after consultation with the Supervisory Board, shall give notice in writing of the admission as a Member to such Member, stating therein under which number the Member is entered in the Register.

**TERMINATION OF MEMBERSHIP - APPEALS****Article 6**

Membership shall terminate:

- a. upon notice of resignation by the Member;
- b. upon liquidation or dissolution of the Member;
- c. upon notice given on behalf of the Society in case a Member has lost its qualification for membership in the Society as stipulated in Article 5; such notice shall be in writing by the Managing Board, after consultation with the Supervisory Board, and shall state the reasons for coming to such a conclusion. The Member shall have the right to appeal, within one month of the date of such notice, to the General Meeting against the termination of its membership. The appeal shall be decided at the General Meeting next following the appeal and until the appeal is decided, the Member is suspended from membership. If the appeal fails, membership shall cease from the date of the General Meeting's decision; and
- d. upon notice given on behalf of the Society where a Member has failed to observe and comply with the Articles of Association or where a Member has acted against the interests of the Society or where for any reason the Society cannot reasonably be expected to continue a Member in membership; such notice shall be in writing by the Managing Board, after consultation with the Supervisory Board, and shall state the reasons for coming to such a conclusion. The appeal procedure stated in 6c. will apply in these cases too.

## **RESIGNATION CONDITIONS**

### **Article 7**

Resignation by a Member can only take place at the end of the financial year subject to one year's notice, except for cogent reasons. Whether a reason is cogent shall be determined by the Managing Board.

## **TITLE IV**

### **CAPITAL**

#### **CAPITAL STRUCTURE**

### **Article 8**

The working capital of the Society shall be constituted by:

- a. the issued and paid-up share capital;
- b. the retained earnings and reserves;
- c. donations, subscriptions, legacies and other benefactions; and
- d. funds which may be borrowed from time to time.

## **SHARE DENOMINATION - REGISTER**

### **Article 9**

- 9.1 The Society shall issue to its Members registered Shares. The Shares are sub-divided in fractions of Shares, expressed in decimals. Shares shall be issued of (a) two hundred United States dollars (USD 200) each, (b) two hundred euros (EUR 200) each, or (c) the Society may issue Shares in any other currency as resolved by the Managing Board, which resolution of the Managing Board requires prior approval of the Supervisory Board.
- 9.2 The Society shall keep a Register in which the names and addresses of all Members are recorded, stating the number of their Shares, the date on which they acquired the Shares, the nominal value of the Shares and the amount paid up on each Share. Each Member may at any time apply for a certified extract from the Register stating the number of Shares

registered in its name.

## **MINIMUM SHAREHOLDING**

### **Article 10**

Except as provided in Article 5 with respect to organisations referred to in Article 5.1 VIII, each Member has the obligation to subscribe to at least one Share upon being admitted to the Society.

## **JOINT OWNERSHIP OF SHARES**

### **Article 11**

**11.1** If the Share capital investment is the joint property of more than one Member, such Members may exercise the membership rights only through a common representative appointed for that purpose.

**11.2** Each entire or partial Share shall confer the right to a proportional part of the net profit and of the proceeds of liquidation of the Society.

## **IRREVOCABLE LIMITATION OF LIABILITY OF MEMBERS**

### **Article 12**

**12.1** Members shall be liable only for the obligations imposed upon them by the Articles of Association and liability of the Members for the debts of the Society is expressly excluded.

**12.2** Alterations to the Articles of Association - which are possible at any time - cannot ever result in an increase in the liability of the Members.

## **REDEMPTION OF SHARES BY THE SOCIETY UNDER CERTAIN CONDITIONS**

### **Article 13**

**13.1** Shares shall be redeemed, if a Member has ceased to be a Member of the Society, not later than five (5) years after cessation of membership.

**13.2** Moreover, shares shall be redeemed not later than five (5) years after the redemption request, without prejudice to what has been provided in in Article 10 hereof, without the member ceasing its membership of the Society.

**13.3** The redemption shall be at par value. However, if the net asset value per Share is lower than the nominal value per Share in the most recent audited (interim) balance sheet preceding the redemption by the Society, the amount payable upon redemption of Share(s) shall not exceed the sum corresponding to the net asset value of the Share(s) according to that balance sheet.

## **TRANSFER OF SHARES**

### **Article 14**

At any time, without prejudice to what has been provided in Article 10 hereof, a Member can transfer its Shares to other Member(s) by a written contract and written notice to the Society.

## **TITLE V**

## **ORGANISATION OF THE SOCIETY**

### **A. GENERAL MEETING**

#### **POWERS OF GENERAL MEETINGS**

### **Article 15**

The General Meeting is the highest power of the Society. It has the following powers which cannot be delegated:

- a.** the alteration of the Articles of Association;

- b. the appointment, dismissal and suspension of (i) members of the Supervisory Board, (ii) member-representatives on the Nomination Committee and (iii) members of the Policy Committee;
- c. the appointment of an expert as mentioned in Article 34;
- d. the adoption of the Annual Accounts, the management report and the report of the Supervisory Board;
- e. the allocation of profits and the declaration of dividends;
- f. the release of the Managing Board and of the Supervisory Board;
- g. the decision of appeals of Members in relation to termination of membership;
- h. the determination of the remuneration of the members of the Supervisory Board;
- i. the approval of the profile of the Supervisory Board; and
- j. resolutions on all matters reserved to it by law.

#### **CONVENING OF GENERAL MEETINGS**

##### **Article 16**

- 16.1** Insofar as the law does not provide otherwise, the General Meetings shall be convened by the Managing Board or the Supervisory Board.
- 16.2** One or more Members jointly representing at least one-tenth of the issued share capital or such a number of Members as are empowered to cast one-tenth of the votes at a General Meeting, may request, with a written statement of its purpose, that an extraordinary General Meeting be called.

#### **VENUE OF GENERAL MEETINGS**

##### **Article 17**

- 17.1** The General Meeting shall be held at the time and place to be determined by the Supervisory Board, in consultation with the Managing Board.
- 17.2** Every year at least one General Meeting shall be held within six (6) months after the close of the financial year. An extraordinary General Meeting may be held whenever necessary, in particular in the cases provided for by law, as well as by a resolution of the General Meeting itself. Any extraordinary General Meeting will allow for participation through teleconferencing or web conferencing.

#### **GENERAL MEETINGS - PERIOD OF NOTICE - METHOD OF NOTICE**

##### **Article 18**

Notice of the General Meeting shall be given by letter sent to each Member at least sixty (60) days before it is held, not counting the day on which notice of such meeting is given and the day appointed for the meeting.

#### **NOTICE OF THE GENERAL MEETING - PROVISIONAL AGENDA - FINAL AGENDA**

##### **Article 19**

- 19.1** The notice of the General Meeting must specify the provisional agenda and, if the Articles of Association are to be altered, the literal text of the proposed alteration(s).
- 19.2** Agenda items can be submitted in writing to the Managing Board at any time but not later than thirty (30) days before the date of the General Meeting, with the exception of nominations, as provided in Article 24.
- 19.3** The Managing Board shall send the final agenda to the Members at least twenty (20) days

before the General Meeting.

- 19.4** No resolutions may be passed on matters not specified in the final agenda, with the exception of a motion to call an extraordinary General Meeting.

#### **CONDITIONS FOR WAIVING NOTICE AND AGENDA PROVISIONS**

##### **Article 20**

If and as long as half of all Members attend a General Meeting and no objection is raised, they can pass resolutions, even though the provisions relating to convocation and the agenda have not been observed, provided always any such resolution is carried unanimously.

#### **VOTING POWER OF MEMBERS**

##### **Article 21**

Every Member has one vote at the General Meeting.

#### **REPRESENTATION OF MEMBERS AT THE GENERAL MEETING**

##### **Article 22**

- 22.1** In the exercise of the right of voting at the General Meeting, a Member may be represented by the person of her/his choice by means of a written power of attorney.
- 22.2** No person may represent more than three (3) Members. In addition to himself or herself, a Member can represent only two (2) other Members.

#### **QUORUM AT GENERAL MEETING - VOTING ON RESOLUTIONS AT GENERAL MEETING**

##### **Article 23**

- 23.1** A General Meeting shall be validly constituted irrespective of the number of Members who are present or represented.
- 23.2** Resolutions shall be passed by a Simple Majority, unless otherwise determined in the Articles of Association. The vote of a Member who abstains has not been validly cast.

#### **NOMINATION COMMITTEE - PROCEDURE FOR APPOINTING MEMBERS OF THE SUPERVISORY BOARD AND THE NOMINATION COMMITTEE - VOTING AT ELECTIONS AT GENERAL MEETING**

##### **Article 24**

- 24.1** The Society shall have a Nomination Committee consisting of five (5) persons, three (3) of which shall be elected by the General Meeting, one (1) of which will be a member of the Supervisory Board and one (1) will be the Managing Director.
- 24.2** At the meetings of the Nomination Committee, the Managing Director and the member of the Supervisory Board shall have an advisory vote only.
- 24.3** Members of the Nomination Committee, other than the Managing Director and the member of the Supervisory Board, shall be appointed for a period of three (3) years and shall be eligible for re-election for one additional term of three (3) years.
- 24.4** If for any reason one (1) or more positions on the Nomination Committee are vacant, the remaining Members shall constitute a valid Nomination Committee.
- 24.5** The Nomination Committee shall:
- a.** at least one hundred twenty (120) days before the General Meeting announce to the Members any vacant position(s) to be filled on the Supervisory Board and the Nomination Committee together with needed qualifications for the positions. The

announcement shall be published in the periodic "circular" of the Society or in a letter, and shall invite the Members to propose candidates at least ninety (90) days before the date of the General Meeting.

A "vacant position to be filled" includes a position whose current occupant is eligible for re-election;

- b.** make best efforts to obtain at least two (2) candidates for each vacant position to be filled;
  - c.** review the qualifications and suitability of the proposed candidates for the Supervisory Board. In the case of candidates for vacancies in the Nomination Committee, the Nomination Committee will collect the names and qualifications of the candidates and will distribute this information to the Members, without making recommendations and without reviewing the qualifications and suitability of the candidates;
  - d.** in connection with the mailing of the provisional agenda for the General Meeting, inform the Members on the outcome of the review and recommend at least one (1) proposed candidate for each vacancy to be filled on the Supervisory Board, which recommendation(s) should give clear reasons as to why the recommended candidates for the Supervisory Board are preferred; and
  - e.** develop criteria to evaluate a member of the Supervisory Board for a second term of three (3) years.
- 24.6** The provisional agenda, as described in Article 19, shall contain the definitive list of proposed candidate(s) for membership on the Supervisory Board and the Nomination Committee.
- 24.7** The definitive list shall contain particulars in respect of the name and the profession of every candidate, as well as the candidate's present and past functions insofar as these are of interest in connection with the performance of the duties of a member of the Supervisory Board or the Nomination Committee.
- 24.8** At the General Meeting no persons shall be appointed other than the candidate(s) mentioned in the aforementioned definitive list.
- 24.9** Votes against a candidate and abstentions shall be permitted.
- 24.10** At a General Meeting where voting takes place to elect the members of the Supervisory Board or Member-representatives on the Nomination Committee, the candidate will be appointed if she/he gets more positive votes than negative votes. Per each candidate a member can either: (i) vote in favour, or (ii) vote against or (iii) abstain from voting. In a case where multiple candidates receive more positive votes than negative votes the candidate, or in the case of multiple vacancies to be filled, the candidates who received the highest number of positive votes, will be appointed.
- 24.11** In the event candidates receive an equal number of positive votes, there shall be a run-off election between those candidates.

## **ELECTION OF MODERATOR - DESIGNATION OF SECRETARY AND SCRUTINEERS**

### **Article 25**



- 25.1** The General Meeting shall elect every year at the end of its annual General Meeting the Moderator for the next ordinary General Meeting, and possible extraordinary General Meetings, to be held in that calendar year.
- 25.2** The Moderator of the General Meeting shall designate the secretary and the scrutineers.

#### **MINUTES OF GENERAL MEETINGS**

##### **Article 26**

- 26.1** Minutes of the proceedings of General Meetings shall be kept, which shall contain the resolutions passed and the elections that took place, together with any specific statements the Members may require to be entered in the minutes.
- 26.2** The minutes shall be confirmed and signed by the Moderator and the secretary of the General Meeting and shall be circulated to all Members.

#### **POLICY COMMITTEE**

##### **Article 27**

- 27.1** The General Meeting has the right to appoint a Policy Committee to evaluate implementation of the policy of the Society.
- 27.2** This Policy Committee shall reflect the ecumenical character of the Society. One (1) member of the Policy Committee shall preferably be a representative of the World Council of Churches or have ecumenical expertise.

#### **MEMBERS' COUNCIL**

##### **Article 28**

A members' council may be formed as a discussion and advisory body of the Members and elected by the General Meeting. Such a members' council may be created and terminated by a proposal to, and approval of the General Meeting by a Simple Majority. If a members' council has been established, it will consist of at least three (3) persons. The General Meeting shall determine the maximum number of members of the members' council and the profile for its composition.

#### **B. SUPERVISORY BOARD**

##### **APPOINTMENT, SUSPENSION AND REMOVAL OF THE SUPERVISORY BOARD**

##### **Article 29**

- 29.1** The Society shall have a Supervisory Board consisting of seven (7) to thirteen (13) members. Members of the Supervisory Board must be individuals.
- 29.2** The General Meeting shall determine the number of members of the Supervisory Board.
- 29.3** The General Meeting shall appoint the members of the Supervisory Board and may at any time suspend or remove any member of the Supervisory Board.
- 29.4** The composition of the Supervisory Board shall be such that the members of the Supervisory Board are able to act critically and independently of one another, the Managing Board and any particular interest. The composition of the Supervisory Board shall reflect as much as possible the ecumenical character of the Society and the mission of the Society.
- 29.5** As member of the Supervisory Board may only be appointed a person who is independent from the Society. A member of the Supervisory Board is in any case not independent in the event:
- i.** he/she has been an employee or a member of the Managing Board in the three (3)

- years prior to his/her appointment;
  - ii. he/she receives personal financial compensation from the Society other than the compensation received for the work as a member of the Supervisory Board;
  - iii. he/she has had an important business relation with the Society in the year prior to his/her appointment;
  - iv. he/she is a board member of a company in which a member of the Managing Board sits in the Supervisory Board; and
  - v. he/she has temporarily managed the Society in the twelve (12) months prior to his/her appointment.
- 29.6** Members of the Supervisory Board will be appointed for a period of three (3) years and may be re-elected for a period of three (3) years. The Supervisory Board may draw up a schedule in accordance with which members of the Supervisory Board shall resign.
- 29.7** The Supervisory Board shall elect from its body a chairperson and a vice-chairperson.
- 29.8** The General Meeting may grant a remuneration to members of the Supervisory Board. The expenses incurred by members of the Supervisory Board in their capacity as such shall be reimbursed.
- 29.9** Where one or more members of the Supervisory Board are no longer in office or are unable to act, the remaining member(s) of the Supervisory Board shall be provisionally charged with the duties of the Supervisory Board. Where all members of the Supervisory Board or the only member of the Supervisory Board are/is no longer in office or are/is unable to act, the duties of the Supervisory Board shall be provisionally conducted by the person designated for that purpose by the General Meeting.

## **DUTIES OF THE SUPERVISORY BOARD**

### **Article 30**

- 30.1** It shall be the duty of the Supervisory Board to supervise the policies pursued by the Managing Board and the general course of affairs in the Society and the business enterprise connected with it. The Supervisory Board shall also assist the Managing Board by actively providing advice. In carrying out its duties, the Supervisory Board shall be guided by the interests and the values of the Society and the business enterprise connected with it, and it will take into account the relevant interests of the Members and other stakeholders. The Supervisory Board will also have due regard for corporate social responsibility issues that are relevant to the business activities.
- 30.2** The supervision of the Managing Board by the Supervisory Board will include:
- a. the realization of the objectives of the Society;
  - b. strategy and the risks inherent in the business activities;
  - c. the design and effectiveness of the internal risk management and control systems;
  - d. the financial reporting process;
  - e. compliance with regulations and legislation;
  - f. the relationship with members; and
  - g. corporate social responsibility issues that are relevant to the Society's business.
- 30.3** The Managing Board shall, in a timely manner, provide the Supervisory Board with the information necessary for the performance of its duties and provide each member of the

Supervisory Board with all information concerning the Society's business that it desires. The Supervisory Board shall be entitled to inspect all the Society's books, records and correspondence and to take cognizance of all acts performed. Each member of the Supervisory Board shall have access to all buildings and premises used by the Society.

- 30.4** At least once a year, the Supervisory Board will discuss the strategy and the main risks of the business, the result of the assessment by the Managing Board of the design and effectiveness of the internal risk management and control systems, as well as any significant changes thereto.
- 30.5** In performing its duties, the Supervisory Board may engage experts to assist it at the Society's expense.

## **ORGANISATION AND DECISION MAKING OF THE SUPERVISORY BOARD**

### **Article 31**

- 31.1** The Supervisory Board shall meet as often as one or more members of the Supervisory Board deem necessary. The meeting shall be convened, stating the items to be discussed, by or on behalf of the chairperson of the Supervisory Board, or if he/she is no longer in office or is unable to act, by one of the other members of the Supervisory Board, with due observance of a notice period of not less than eight (8) days. Upon request by the Supervisory Board, the Managing Board shall attend the meetings of the Supervisory Board. The Managing Board shall have an advisory vote at such meetings.
- 31.2** Each member of the Supervisory Board may cast one vote at a meeting of the Supervisory Board.
- 31.3** Only a member of the Supervisory Board can represent one other member of the Supervisory Board for the purpose of decision making by the Supervisory Board.
- 31.4** Supervisory Board resolutions shall be passed – irrespective of whether this occurs at a meeting or otherwise – by a Simple Majority, in a meeting in which fifty percent (50%) of the members of the Supervisory Board is present or represented. Invalid votes and blank votes shall not be counted as votes cast.
- 31.5** In the event of a tie at a meeting of the Supervisory Board, the chairperson of the board shall decide. If the chairperson and the vice-chairperson do not participate in the decision making, the assigned chairperson of that meeting shall decide.
- 31.6** All resolutions of the Supervisory Board, including those adopted without holding a meeting, shall be entered in a minute book.
- 31.7** A member of the Supervisory Board may not participate in the deliberations and decision making of the Supervisory Board on a matter in relation to which he/she has a direct or indirect personal interest which conflicts with the interests of the Society and of the enterprises connected with it. Where all members of the Supervisory Board or the only member of the Supervisory Board have/has such a conflict of interest, the relevant decision shall nevertheless be taken by the Supervisory Board.
- 31.8** The contemporaneous linking together by communication facilities of members of the Supervisory Board, wherever in the world they are, shall be deemed to constitute a meeting of the Supervisory Board for the duration of the connection, unless a member of the Supervisory Board objects thereto.

- 31.9** Resolutions of the Supervisory Board may, instead of at a meeting, be passed in writing, provided that all members of the Supervisory Board are familiar with the resolution to be passed and none of them objects to this decision-making process.
- 31.10** The Supervisory Board may draw up rules concerning its internal matters. Such rules may not be in conflict with the provisions of these Articles of Association. The members of the Supervisory Board may also allocate their duties among themselves, whether by drawing up rules or otherwise.

#### **PERSONNEL COMMITTEE**

##### **Article 32**

- 32.1** From its midst the Supervisory Board shall appoint three (3) members that form the Personnel Committee, being the chairperson, the vice-chairperson and another member of the Supervisory Board.
- 32.2** The members of the Personnel Committee shall be appointed for a period of three (3) years and shall be eligible for reappointment for one additional term of three (3) years.
- 32.3** For each vacancy within the Managing Board the Personnel Committee, in consultation with the Managing Director, shall seek an appropriate candidate on the basis of a profile that has been drawn up for that purpose and if so required, shall conduct interviews. If a candidate is deemed to be appropriate by the Personnel Committee, it shall advise the Supervisory Board with respect to getting the vacancy filled within the Managing Board.
- 32.4** The Personnel Committee is responsible for the appraisal and evaluation of the Managing Director.

#### **AUDIT COMMITTEE**

##### **Article 33**

- 33.1** The Supervisory Board shall appoint from among its members an Audit Committee, which shall have at least two (2) members. The Supervisory Board shall determine the length of service on the Audit Committee. Audit Committee members shall be eligible for reappointment.
- 33.2** The Audit Committee shall make and deliver a written report of its deliberations and findings to the Supervisory Board and the General Meeting.
- 33.3** In its work, the Audit Committee shall be assisted by the expert referred to in article 34.

#### **TITEL VI**

#### **GENERAL EXPERT**

##### **Article 34**

The General Meeting shall give to an expert as referred to in Article 2:393 DCC an instruction to audit the Annual Accounts, notwithstanding the provisions of the law.

#### **C. MANAGING BOARD**

#### **COMPOSITION OF THE MANAGING BOARD**

##### **Article 35**

- 35.1** The Managing Board shall consist of a minimum of four (4) and a maximum of seven (7) members.
- 35.2** The Supervisory Board determines the number of members of the Managing Board.
- 35.3** The Managing Board consists of the Managing Director and other members of the

Managing Board.

- 35.4** The Supervisory Board shall determine the remuneration of the members of the Managing Board in accordance with the remuneration policy.

**APPOINTMENT OF MEMBERS OF THE MANAGING BOARD**

**Article 36**

- 36.1** The Supervisory Board shall appoint the members of the Managing Board. As member of the Managing Board may also be appointed persons who are not a Member.

- 36.2** The Personnel Committee shall advise the Supervisory Board in respect of the appointment of the members of the Managing Board.

**PERIOD OF SERVICE OF MEMBERS MANAGING BOARD AND LIMITS ON APPOINTMENT/DISMISSAL**

**Article 37**

- 37.1** Members of the Managing Board shall be appointed to hold office for an indefinite period of time, unless otherwise determined upon their appointment.

- 37.2** Upon completion of service as a member of the Managing Board such member shall be eligible for re-appointment.

- 37.3** Even if a Member of the Managing Board has been appointed for a certain time, he/she may at any time be dismissed by the Supervisory Board.

- 37.4** A resolution of the Supervisory Board to dismiss a member of the Managing Board requires a Simple Majority.

**APPOINTMENT OF THE MANAGING DIRECTOR**

**Article 38**

- 38.1** The Supervisory Board shall appoint the Managing Director.

- 38.2** The Managing Director is the chair of the Managing Board.

**MEETINGS OF THE MANAGING BOARD- FREQUENCY - MINUTES - SECRETARY**

**Article 39**

- 39.1** Meetings of the Managing Board shall be convened by the Managing Director whenever the business of the Society so requires.

- 39.2** Minutes of the deliberations and resolutions carried by the Managing Board shall be kept and signed by the Managing Director and the secretary of the Managing Board.

- 39.3** The Managing Board shall elect a secretary, from its body or otherwise.

**VOTING ON RESOLUTIONS AT MEETINGS OF THE MANAGING BOARD - RECORDING OF RESOLUTIONS**

**Article 40**

- 40.1** Resolutions of the Managing Board shall be passed by a Simple Majority, provided always that at least one-half of the members of the Managing Board are present or represented. In the event of a tie the Managing Director shall have a casting vote.

- 40.2** A member of the Managing Board can represent one other member of the Managing Board for the purpose of decision making by the Managing Board.

- 40.3** The Managing Board may also pass resolutions in writing if, after a proposal to that effect has been sent to all members of the Managing Board, no member of the Managing Board raises objection to the proposal being put to the vote in writing within twenty-four (24)

hours of the sending of the proposal and the requisite number of members of the Managing Board voting in favour of the resolution is the equivalent of the requisite number at a meeting at which all members are present. Such resolutions shall be entered in the minute book of the Society.

## **MANAGEMENT OF THE SOCIETY**

### **Article 41**

- 41.1** The Managing Board shall have the widest powers in regard to the management of the Society. The Managing Board is accountable for this to the Supervisory Board and to the General Meeting. It shall have the authority to decide all matters, which are not specifically attributed and reserved to the General Meeting or the Supervisory Board.
- 41.2** The Managing Board has the power to delegate its powers to the proxyholders, which delegation can be made subject to conditions and limitations.
- 41.3** The Managing Board is responsible for the day-to-day management of the Society.

## **POWERS AND DUTIES OF THE MANAGING BOARD**

### **Article 42**

- 42.1** The Managing Board may in the Society's name sue and be sued, enter into settlements, make loans, borrow money as a fully and personally liable debtor and is authorised to conclude agreements for the purchase, disposal and encumbrance of movable goods and immovable property, and to conclude agreements by which the Society gives guarantees or security for a debt of another.
- 42.2** The Managing Board shall prepare for the General Meeting a management report of the Society and the development process in general and shall offer to this meeting the Annual Accounts with an explanatory statement.
- 42.3** The Managing Board shall make proposals about the allocation of the annual profit. Before sending these proposals to the General Meeting, the Managing Board shall send the proposals to the Supervisory Board for approval.
- 42.4** The Managing Board shall submit proposals to the General Meeting, prepare the agenda, convene the General Meeting and carry out and give effect to the resolutions of the General Meeting.
- 42.5** The Managing Board shall authorise, after the prior approval of the Supervisory Board, the establishment or the liquidation of branches.
- 42.6** In conformity with general guidelines of the Supervisory Board, the Managing Board shall authorise the granting of loans, guarantees, investments in the capital of companies and other juridical persons and any borrowing by the Society.
- 42.7** The Managing Board shall, after the prior approval of the Supervisory Board, approve the annual budget of the Society.
- 42.8** The Managing Board may grant one or more persons a power of attorney to represent the Society and determine the scope of authority of such persons in this regard. The Managing Board may give a person holding a power of attorney such title as it deems appropriate.
- 42.9** The Managing Board shall, subject to Article 9.1 and after approval of the Supervisory Board, resolve upon the issuance of Shares in currencies other than euros or United States dollars.

- 42.10** Furthermore, the Managing Board shall carry out all such other activities within the purpose of the Society as may prove expedient or necessary.
- 42.11** The Managing Board shall draft and adopt rules concerning its internal matters, which it will submit to the Supervisory Board for approval.
- 42.12** Resolutions of the Managing Board relating to the following matters shall be subject to the approval of the Supervisory Board:
- i.**
    - a) the operational and financial objectives of the Society;
    - b) the strategy designed to achieve the objectives;
    - c) the relevant parameters to be applied in relation to the strategy, for example in respect of the relevant financial ratios; and
    - d) corporate social responsibility issues that are relevant to its business;
  - ii.** issue of debt instruments by the Society;
  - iii.** issue of debt instruments by a limited partnership or general partnership of which the Society is a general partner with full liability;
  - iv.** application for admission of the financial instruments referred to in Article 42.12ii. and 42.12iii. to trading on a regulated market or a multilateral trading facility as referred to in Article 1:1 of the Financial Supervision Act (*Wet op het financieel toezicht*) or a system comparable to a regulated market or multilateral trading facility from a state which is not a member state of the application of withdrawal of such admission;
  - v.** entry into or termination of a long-lasting cooperation by the Society or a dependent company with another legal person or partnership or as general partner with full liability in a limited partnership or general partnership if such cooperation or the termination thereof is of far-reaching significance for the Society;
  - vi.** acquisition of a participating interest by the Society or by a dependent company in the capital of a company, the value of which equals at least one-quarter of the net assets of the Society as shown in its balance sheet with explanatory notes and any significant increase or reduction of such a participating interest;
  - vii.** investments requiring an amount equal to at least one-quarter of the net assets of the Society as shown in its balance sheet with explanatory notes;
  - viii.** a proposal to amend the Articles of Association;
  - ix.** a proposal to wind up the Society;
  - x.** application for bankruptcy and for suspension of payments (*surséance van betaling*);
  - xi.** termination of the employment contract of a considerable number of employees of the Society or of a dependent company at the same time or within a short time-span; and
  - xii.** a far-reaching change in the working conditions of a considerable number of employees of the Society or of a dependent company.

## **REPRESENTATION OF THE SOCIETY**

### **Article 43**

The Society shall be represented by the Managing Board and moreover by two (2) members of the

Managing Board, or by a member of the Managing Board together with one other proxyholder, or by two (2) other proxyholders within the limitations of their powers.

#### **FINANCIAL YEAR AND ANNUAL ACCOUNTS**

##### **Article 44**

- 44.1** The business year shall commence on the first day of January and shall end on the thirty-first day of December.
- 44.2** The Managing Board shall close the Society's books as at the last day of each financial year and shall within six (6) months - unless this period is extended by the General Meeting due to special circumstances for a further period of no more than four (4) months - draw up Annual Accounts. Within the same period, the Managing Board shall also submit its management report. The Annual Accounts shall be signed by all members of the Managing Board and all members of the Supervisory Board; where one or more of their signatures is missing, the Annual Accounts shall refer to this and to the reasons for it.

#### **ALLOCATION OF NET PROFIT**

##### **Article 45**

The net profits shall be allocated by the General Meeting after receiving the proposals of the Managing Board.

#### **DIVIDENDS - PERIOD OF PRESCRIPTION**

##### **Article 46**

- 46.1** Dividends declared by the General Meeting shall be payable as often as the Managing Board shall so decide.
- 46.2** Dividends may be made payable in the form of an additional of one (1) or more fractions of Shares in the Register of a Member and/or in cash.
- 46.3** Dividends made available in cash, which have not been claimed within five (5) years, shall be forfeited for the benefit of the Society.

#### **LIQUIDATION OF SOCIETY**

##### **Article 47**

The Society may be dissolved:

- a.** by resolution of the General Meeting;
- b.** on declaration of bankruptcy; and
- c.** in other cases provided for by law.

#### **NOTICE TO MEMBERS**

##### **Article 48**

- 48.1** All announcements to the Members as set out in Article 16, Article 17, Article 18 and Article 19 shall be made by letter. All other communications may be made available electronically.
- 48.2** Letters and e-mails are sent to the (e-mail) address which the Member concerned has provided the Society for that purpose. This address shall continue to be such Members' address of record until the Member has given notice of a change of address to the Society. Such notice can be given by letter or e-mail.
- 48.3** Upon request of a Member, the Member will be provided with a paper copy of the information made available electronically.



## **ARBITRATION OF DISPUTES**

### **Article 49**

All disputes arising in relation to or touching upon the Articles of Association, between the Society and its Members as well as between Members, shall be submitted to arbitration in accordance with the Rules of the "Nederlands Arbitrage Instituut".

### **TRANSITION CLAUSE**

In deviation of article 33, which stipulates that the Supervisory Board shall appoint from among its members an Audit Committee, the Audit Committee shall also include the members of the Audit Committee elected by the General Meeting in two thousand and fifteen and two thousand and sixteen, until those members complete the terms for which they were elected by the General Meeting.

### **TRANSITION CLAUSE**

Under the following conditions precedent:

- 1) a Managing Board resolution to this effect (which also includes the intended date of execution of the deed referred to under 3); and
- 2) approval by the Supervisory Board of the resolution referred to under 1); and
- 3) the execution of a notarial deed recording the fulfilment of the conditions precedent referred to under 1) and 2),

article 13 will read as set out hereunder and a new article 42.10 as set out hereunder will be inserted (with the simultaneous renumbering of the other paragraphs of article 42), effective as per the execution of the deed referred to under 3).

The Managing Board may only pass the resolution referred to under 1) if:

1. the decision is made to prepare the Society's consolidated financial statements in accordance with International Financial Reporting Standards (IFRS); or
2. the Society continues preparing its consolidated financial statements in accordance with Dutch Generally Accepted Accounting Principles (GAAP) and the Shares are classified as financial liability under Dutch GAAP as a result of
  - a. changed Dutch GAAP rules; or
  - b. a change in the interpretation of the Dutch GAAP rules by external auditors.

This transition clause will lapse if ultimately on the first of July two thousand twenty-one (1 July 2021), the conditions precedent 1) up to and including 3) have not been fulfilled.

**"13.1** Shares shall be redeemed (i) upon request of a Member without prejudice to the requirement of Article 10 or (ii) upon the occurrence of a Member ceasing to be a Member of the Society.

**13.2** The Managing Board can decide to stop and resume the redemption of Shares. Such decision can be made on each request or each occurrence referred to in article 13.1. If so, this applies to all requests and occurrences referred to in Article 13.1.

**13.3** The redemption shall be at par value. However, if the net asset value per Share is lower than the nominal value per Share in the most recent audited (interim) balance sheet preceding the redemption by the Society, the amount payable upon redemption of Share(s) shall not exceed the sum corresponding to the net asset value of the Share(s) according to that balance sheet."

And

**"42.10** The Managing Board can decide to stop and resume the redemption of Shares as referred to in article 13.2."