



STATUTES

I. NAME, HEAD OFFICE, PURPOSE, DURATION

Art. 1. – Name

- 1.1. An International Non-Profit Association was formed, and is governed by the Belgian Code on Companies and Associations of 23 March 2019 (the "**BCCA**"), as modified and amended by subsequent laws, and named "Conseil Européen de l'Industrie Chimique - European Chemical Industry Council – Cefic" (hereinafter, the "**Association**").

Art. 2. – Head office

- 2.1. The head office of the Association shall be established in Belgium, in the Brussels Region.

The head office of the Association may be transferred to any other location in Belgium by simple decision of the Board, to be published in the “Annexes du Moniteur belge” and to be communicated to the competent Belgian authority within one (1) month of the decision.

If the transfer of the head office requires that the language of the present Statutes must be modified, only the General Assembly is empowered to take such decision, subject to the rules on the amendment of the present Statutes.

- 2.2. The Board may decide to open operation centres or offices of the Association in Belgium or abroad.

Art. 3. – Purpose and Object

- 3.1. The Association is a not-for-profit making organisation devoted to promote a thriving European Chemical Industry that is broadly recognised to provide sustainable, safe, innovative and resource efficient solutions to foster prosperity, growth and investments in Europe and meet the challenges for future generations. Within this framework, the Association's main purpose is to pursue a disinterested purpose of international utility to serve the Members and the European chemical industry by generating and aggregating scientific knowledge that fosters the purpose of the Association in critical areas, to contribute to the development of the industry by providing support to all its Members with a wide range of products and expert service in, amongst others, regulatory, scientific and technical matters. In view of supporting this main purpose, the Association may, in compliance with competition law, (i) engage, represent and advocate in a focussed and effective manner the interests of its Members and the industry at a European level by creating the appropriate support and policy frameworks for said industry in Europe and beyond as well as (ii) develop, promote and defend common industry positions. Such representation of the chemical industry is made with particular emphasis on their scientific, technical, pedagogic, environmental, economic, statistical, legal and structural aspects for all matters of common interest to the European chemical industry, in the widest sense, at European and global level, always endeavouring to add value as a collective compared to

individual Member's activities (together with the main purpose, the "**Purpose**").

In order to realize the aforementioned Purpose, the Association may, in full compliance with competition law, develop the following activities (the "**Object**"):

- a) Networking between the Members, Partners and with stakeholders such as other industry sectors, trade unions and environmental non-governmental associations.
- b) Developing and maintaining relations with public authorities and their officials and representatives, mainly at the EU level, but also at regional, national and global level.
- c) The analysis and discussion of issues and the completion of projects that are useful for its Members, for one or more of its Industry Sectors, Sector Groups or Project Groups, or for the chemical sector in general across all professional and policy areas including:
 - (i) occupational health and safety;
 - (ii) environmental protection;
 - (iii) transport and logistics;
 - (iv) climate and energy;
 - (v) industrial policy, trade and finance;
 - (vi) product stewardship;
 - (vii) human health and safety;
 - (viii) research and innovation;
 - (ix) sustainability;
 - (x) legal affairs;
 - (xi) public relations, communication and reputation-building.
- d) The collection and sharing of knowledge and expertise from and among its Members under the different structures including the Issues Teams, Networks of Experts, Project Groups, and Sector Groups, by organizing surveys, webinars and conferences and by commissioning analysis, studies and reports from third parties on targeted issues, contributing to building a solid scientific knowledge on chemistry and chemicals in Europe and building facts and data on the sector and the areas listed above.
- e) The elaboration and promotion of collective views and positions of the Association, its Industry Sectors and Sector Groups, and engagement in societal and policy debates, including through engagement with media and stakeholders.
- f) The initiations of voluntary initiatives within its Members, the chemical sector more broadly, and its stakeholders to drive forward general objectives of the Association, including data collection and reporting against key performance indicators.
- g) Being the voice of the European chemical sector at European and global level by representing the collective interests of the Members of the Association across Europe and beyond, addressing European policy-makers, the European Union institutions, agencies, bodies, and other regulatory authorities at a European or global level, including the United Nations, OECD and IMO.
- h) Entering into agreements, commitments and memoranda of understanding with third parties.
- i) The dissemination of recommendations, guidances and best practices relating to the general objectives of the chemical sector or its subsectors.
- j) The adhesion, participation in and the conclusion of strategic partnerships with other associations, networks and platforms at the regional, national, EU or international level, that have a purpose that is consistent or complementary to its own Purpose.

- k) The provision of collective services to its Members, such as statistics, environmental modelling and third party audit reports of transport and logistics service providers.
 - l) The promotion of research in key areas of interest to its Members, through the sponsorship and monitoring of research projects.
 - m) The promotion and development of Responsible Care, including through the exchange of information, the making available of resources and tools, the organisation of awards and the organisation and further development of systems of third party assessments to evaluate the performance of logistics service providers and chemical distributors.
 - n) The promotion of sustainability, resource efficiency, climate neutrality, environmental and health protection in the chemical sector to contribute to achieve the UN Sustainable Development Goals, including the exchange of information, sustainability reporting and making available of tools for that purpose;
 - o) The intervention before EU courts in targeted court cases to bring in the perspective of the European chemical sector.
 - p) The collaboration with universities, colleges, trade unions.
 - q) The organisation of seminars, webinars, conferences, workshops and trainings and the sponsorship of events and campaigns.
- 3.2. The Association may become a member of any other not-for-profit association/not-for-profit organization provided that said not-for-profit association/not-for-profit organization is legal and its purposes are in line with the Purpose of the Association.
- 3.3. The Association may undertake any other activity or take any other actions that are directly or indirectly related to the Object of the Association as set out in Article 3.1. of the present Statutes or necessary or useful to the realisation of its Purpose, including the exercise of commercial and profit-making activities on an ancillary and/or isolated and/or exceptional basis which proceeds shall at all times be allocated to the above mentioned Purpose and in accordance with the above mentioned Object. Among other things, and provided that such activity is either expressly contained in the approved budget of the Association or is otherwise approved by the General Assembly, the Association may grant loans to, invest in the capital of, or, in any other manner, directly or indirectly, take participations in other legal entities, associations and companies of private or public nature, governed by Belgian law or foreign laws.
- 3.4. The Association is authorized to collect any resources which are necessary to the realisation of its Purpose.
- 3.5. Further provisions on the practical aspects and modalities regarding the vision and the achievement of the Purpose of the Association may be detailed in compliance with Article 2:59 BCCA in the Internal Rules.

Art. 4. – Duration

- 4.1. The Association shall be formed for an unlimited period.

II. MEMBERS, PARTNERS

Art. 5. – General provision

- 5.1. The Association has four (4) categories of members: the Member Federations, the Associate Federations, the Corporate Members and the Business Members (hereinafter all referred to as the "**Members**") and three (3) categories of partners: the Partner Associations, the Partner Companies and the Associated Companies (hereinafter all referred to as the "**Partners**").
- 5.2. Membership or Partnership is open to legal entities incorporated in accordance with the laws and practices of their country of origin. Natural persons are not eligible for Membership or Partnership with the Association.

Article 6. – Membership

- 6.1. Membership in the category of Member Federations is open to the national non-governmental federations representing the chemical industry of European countries previously admitted as and having the Associate Federation status of the Association.
- 6.2. Membership in the category of Associate Federations is open to the leading national non-governmental federations representing the chemical industry in European countries where no Member Federation is operating and that fulfil the following criteria:
- a) The country of the applicant federation should belong to the Council of Europe and to the World Trade Organisation ;
 - b) The applicant federation shall demonstrate its capacity to fulfil the obligations listed in Article 7 of the present Statutes.
- 6.3. Corporate Membership shall be subdivided into two (2) subcategories : Corporate A Members and Corporate B Members (hereinafter all referred to as "**Corporate Members**").
- a) Corporate A Membership is open to legal entities that fulfil the following conditions :
 - (i) Having a centre of operation in one (1) or more of the European countries in which the Association has either a Member Federation or an Associate Federation;
 - (ii) Being engaged in the production of chemicals falling under NACE codes 20 and/or 21.10 in one (1) or more European countries in which the Association has either a Member Federation or an Associate Federation; and
 - (iii) Having an annual worldwide chemicals turnover above one (1) billion euro.
 - b) Corporate B Membership is open to legal entities that fulfil the following conditions:
 - (i) Having a centre of operation in one (1) or more of the European countries in which the Association has either a Member Federation or an Associate Federation;
 - (ii) Being engaged in the production of chemicals falling under NACE codes 20 and/or 21.10 in one (1) or more European countries in which the Association has either a Member Federation or an Associate Federation;
 - (iii) Having at least two thirds (2/3) of the European chemicals turnover coming from activities falling under NACE code 20.4; and
 - (iv) Having an annual worldwide chemicals turnover above one (1) billion euro.

6.4. Membership in the category of Business Members is open to legal entities that fulfil the following conditions:

- a) Having a centre of operation in one (1) or more of the European countries in which the Association has either a Member Federation or an Associate Federation;
- b) Being engaged in the production of chemicals falling under NACE codes 20 and/or 21.10 in one (1) or more European countries in which the Association has either a Member Federation or an Associate Federation;
- c) Having an annual worldwide chemicals turnover under one (1) billion euro.

A maximum of twenty (20) delegates of Business Members shall represent the Business Members at the meetings of the General Assembly of the Association (hereinafter referred to as the "**Business Member Delegates**") as provided for in Article 17.2. of the present Statutes. Such delegates shall be at Chief Executive Officer/Senior Executive level of their respective companies.

Art. 7. – Membership rights and duties

7.1. Member Federations shall have the following rights:

- a) To attend and participate in the meetings of the General Assembly of the Association, with voting rights;
- b) To access Cefic information relevant to all Cefic Members and to the AFEM specifically, subject to applicable confidentiality rules;
- c) To be eligible for a position or seat in the governance bodies or other bodies of the Association, as well as in the Working Structures below such bodies, the Project Groups, and in Industry Sectors or groups, subject to and in accordance with the conditions, limitations and the procedure set out in the present Statutes, Internal Rules and the relevant Operating Rules;
- d) To attend and participate to the governance bodies or other bodies, Working Structures, Project Groups, Industry Sectors or groups of the Association and, if applicable, vote during the relevant meetings of such bodies, Working Structures, Project Groups, Industry Sectors or groups of the Association;
- e) As the case may be and subject to the conditions laid down in the respective Operating Rules, to receive the support offered by the National Associations Board;
- f) To have the right (i) to express and maintain a minority opinion on a Cefic Common Position, (ii) to have such minority opinion reflected in the minutes of the meeting of the relevant body and, (iii) if applicable and upon the request of the Member Federation, to have it disclosed to the public in the Cefic Common Position, subject to the conditions and in compliance with the procedure set out in the Internal Rules and relevant Operating Rules;
- g) To access to Cefic's Chemicals Convention; and
- h) To participate in any other relevant activities of the Association, upon invitation.

7.2. Associate Federations shall have the following rights:

- a) To attend and participate in the meetings of the General Assembly of the Association, with voting rights;
- b) To access to AFEM activities, without voting rights;
- c) To access to Cefic information relevant to all Cefic Members and to the AFEM specifically, subject to applicable confidentiality rules;

- d) To be eligible for a position or seat in the governance bodies or other bodies of the Association, as well as the Working Structures below such bodies, the Project Groups, and in Industry Sectors or groups, subject to and in accordance with the conditions, limitations and the procedure set out in the present Statutes, Internal Rules and the relevant Operating Rules;
- e) To attend and participate to the governance bodies or other bodies, Working Structures, Project Groups, Industry Sectors or groups of the Association and, if applicable, vote during the relevant meetings of such bodies, Working Structures, Project Groups, Industry Sectors or groups of the Association;
- f) As the case may be and subject to the conditions laid down in the respective Operating Rules, to receive the support offered by the National Associations Board;
- g) To have the right (i) to express and maintain a minority opinion on a Cefic Common Position, (ii) to have such minority opinion reflected in the minutes of the meeting of the relevant body and, (iii) if applicable and upon request of the Associate Federation, to have it disclosed to the public in the Cefic Common Position, subject to the conditions and in compliance with the procedure set out in the Internal Rules and relevant Operating Rules;
- h) To access to Cefic's Chemicals Convention; and
- i) To participate in any other relevant activities of the Association, upon invitation.

7.3. Corporate Members shall have the following rights:

- a) To attend and participate in the meetings of the General Assembly of the Association, with voting rights;
- b) To access to Cefic information relevant to all Cefic Members and to the ACOM specifically, subject to applicable confidentiality rules;
- c) To be eligible for a position or seat in the governance bodies or other bodies of the Association, as well as the Working Structures below such bodies, the Project Groups, and in Industry Sectors or groups, subject to and in accordance with the conditions, limitations and procedure set out in the present Statutes, Internal Rules and the relevant Operating Rules;
- d) To attend and participate to the governance bodies or other bodies, Working Structures, Project Groups, Industry Sectors or groups of the Association and, if applicable, vote during the relevant meetings of such bodies, Working structures, Project Groups, Industry Sectors or groups of the Association;
- e) To have the right (i) to express and maintain a minority opinion on a Cefic Common Position, (ii) to have such minority opinion reflected in the minutes of the meeting of the relevant body and, (iii) if applicable and upon request of the Corporate Member, to have it disclosed to the public in the Cefic Common Position, subject to the conditions and in compliance with the procedure set out in the Internal Rules and relevant Operating Rules;
- f) To enter into Voluntary Commitments at its discretion;
- g) To access to Cefic's Chemicals Convention; and
- h) To participate in any other relevant activities of the Association, upon invitation.

7.4. Business Members shall have the following rights:

- a) For maximum twenty (20) Business Member Delegates to attend and participate in the meetings of the General Assembly of the Association, with maximum twenty (20) voting rights (one (1) vote per Business Members Delegate) subject to the limitations and conditions set out in the present Statutes;

- b) To access to Cefic information relevant to all Cefic Members and to the ABM specifically, subject to applicable confidentiality rules;
- c) To be eligible for a position or seat in the governance bodies or other bodies of the Association, as well as the Working Structures below such bodies, the Project Groups, and in Industry Sectors or groups, subject to and in accordance with the conditions, limitations and the procedure set out in the present Statutes, Internal Rules and the relevant Operating Rules;
- d) To attend and participate to the governance bodies or other bodies, Working Structures, Project Groups, Industry Sectors or groups of the Association and, if applicable, vote during the relevant meetings of such bodies, Working Structures, Project Groups, Industry Sectors or groups of the Association;
- e) To have the right (i) to express and maintain a minority opinion on a Cefic Common Position, (ii) to have such minority opinion reflected in the minutes of the meeting of the relevant body and, (iii) if applicable and upon request of the Business Member, to have it disclosed to the public in the Cefic Common Position, subject to the conditions and in compliance with the procedure set out in the Internal Rules and relevant Operating Rules;
- f) To enter into Voluntary Commitments at its discretion;
- g) To access to Cefic's Chemicals Convention; and
- h) To participate in any other relevant activities of the Association, upon invitation.

7.5. All categories of Members shall have the following duties:

- a) To respect the present Statutes;
- b) To respect the Internal Rules and the Operating Rules of the Association;
- c) To support the Purpose, mission, objectives, policies and activities of the Association;
- d) To endeavour to promote the Cefic Common Positions developed and aligned in accordance with its decision-making and One Voice Policy as defined in the Internal Rules ;
- e) To pay the Membership fee calculated according to the Membership fee structure as fixed annually for each Member's category or, in case of the Corporate Members, each sub-category, by the General Assembly upon proposal of the Board;
- f) To remain responsible for the accuracy of the data and information transmitted to the Association.

7.6. Further provisions on the practical aspects and modalities regarding the eligibility, the rights and duties of the Members, the Membership fee including the Membership fee structure may be laid down in compliance with Article 2:59 BCCA in the Internal Rules or the Operating Rules of the Association.

Art 8. – Partnership

8.1. Partnership is open to companies or associations closely linked with the European chemical industry, but not fulfilling the membership criteria laid down in Article 6 of the present Statutes.

Partners are not Members of the Association.

8.2. Partnership in the category of Partner Associations is open to European associations representing sectors linked to the European chemical industry.

8.3. Partnership in the category of Partner Companies is open to European companies not being

engaged in the production of chemicals and with activities closely linked to the European chemical industry.

- 8.4. Partnership in the category of Associate Companies is open to companies being engaged in the production of chemicals in countries outside Europe in which the Association has neither a Member Federation, nor an Associate Federation.

Art. 9. – Partnership rights and duties

- 9.1. Partners do not have the right to participate in the meetings of the General Assembly, of the Board or of the Executive Committee. Partners are not eligible for a position in the governance bodies or other bodies of the Association.
- 9.2. Partner Associations shall have the following rights:
- a) To access to Networks of Experts;
 - b) Upon invitation, to access to Programme Councils, Advisory Fora and Issue Teams, Industry Sectors, Sector Groups and Project Groups;
 - c) To access to relevant Cefic information, subject to applicable confidentiality rules;
 - d) To access to Cefic's Chemicals Convention;
 - e) To participate to any other activities of the Association, upon invitation.
- 9.3. Partner Companies and Associate Companies shall have the following rights:
- a) Upon invitation, to access to Industry Sectors and Sector Groups;
 - b) To access to Cefic news;
 - c) To access to Cefic's Chemicals Convention;
 - d) To enter into Voluntary Commitments at its discretion;
 - e) Upon invitation, to participate in Project Groups of the Association.
- 9.4. Partners shall have the following duties:
- a) To pay the Partnership contribution calculated according to the structure of the Cefic contribution as fixed annually for each category of Partners by the General Assembly upon proposal of the Board;
 - b) To remain responsible for the accuracy of the data and information transmitted to the Association.
- 9.5. Further provisions on the practical aspects and modalities regarding the eligibility, the rights and duties of the Partners and the Partnership contribution, including the Partnership contribution structure, may be laid down in compliance with Article 2:59 BCCA in the Internal Rules or the Operating Rules of the Association.

Art. 10. – Membership and Partnership list

- 10.1. A list of the Members and the Partners as defined under Articles 6 and 8 of the present Statutes shall be kept up-to-date at the head office of the Association.

Art. 11. – Admission of Members and Partners

- 11.1. On a proposal from the Board, all membership applications for admission of new Member Federations, Associate Federations, Corporate A Members, Corporate B Members or Business Members as well as applications for changing of category of Membership shall be submitted to the General Assembly for approval. The latter is under no obligation to justify its decision, which

shall be final.

When joining the Association, applicant federations are first granted a status of Associate Federations.

- 11.2. On a proposal from the Board, all partnership applications for admission of new Partner Associations, Partners Companies or Associate Companies shall be submitted to the General Assembly for approval. The latter is under no obligation to justify its decision, which shall be final.
- 11.3. Further provisions on the practical aspects and modalities regarding the application formalities and procedure for Membership and Partnership may be adopted in compliance with Article 2:59 BCCA in the Internal Rules or in the Operating Rules of the Association.

Art.12. – End of Membership or Partnership

- 12.1. Membership or Partnership in the various Membership or Partnership categories ends (i) in accordance with Article 12.2., 12.3. or 12.4. of the present Statutes or (ii) by dissolution of the Association.

The end of Membership or Partnership during the course of the Association's financial year shall not affect the Member's or Partner's obligation to pay the Membership fee or Partnership contribution subject to the requirements of the present Statutes or any other sum or debts due on the date of the end of Membership or Partnership. The Member or Partner whose Membership or Partnership ended shall not be entitled to claim any of the Association's assets or funds nor any reimbursement of its Membership fee or Partnership contribution or any other compensation.

- 12.2. Any Member as defined under Article 6 or Partner as defined under Article 8 of the present Statutes wishing to withdraw from Membership or Partnership shall give written notice to the Director General of his withdrawal before the end of a financial year (31 December) of each year. The withdrawal shall then take effect at the end of the next financial year. During this period, the Membership or Partnership as well as the obligation to pay the Membership fee or the Partnership contribution remain unaffected it being understood that Members or Partners who wish to withdraw are required to fulfil their obligations according to Article 12.1., Para. 2 of the present Statutes.
- 12.3. Without prejudice to Article 12.4. of the present Statutes or any other mandatory legal obligations resulting from national, supranational, international or EU laws or regulations, sanctions or final decisions requiring the Association to exclude a Member or a Partner, the exclusion of a Member or a Partner may be proposed by the Board to the General Assembly in the following cases:
- a) If that Member or Partner ceases to satisfy the Membership or Partnership criteria provided for in Article 6 or 8 of the present Statutes;
 - b) In case of violation by that Member or that Partner of the provisions of the Statutes, Internal Rules or Operating Rules;
 - c) If the conduct of that Member or Partner is contrary to the Purpose of and/or harming the Association;
 - d) If the Member or Partner does not remedy to the situation leading to the suspension of its respective membership or partnership rights within the period determined by the

Board or the Association in accordance with Article 13.1, Para. 1, b) of the present Statutes.

The Member or Partner concerned must be summoned to have the opportunity to present his defence on the envisaged exclusion either by oral or written statement to the General Assembly. The decision of the General Assembly is final and the exclusion shall be effective as of the date of the decision. The Member or Partner excluded is required to fulfil its obligations according to Article 12.1., Para. 2 of the present Statutes.

- 12.4 A Member or Partner shall, with immediate effect, be automatically excluded as a Member or Partner of the Association if, following a national, supranational or international final decision or sanction, it is no longer allowed according to that decision or sanction to be a Member or Partner of the Association.

Art.13. – Suspension of Membership or Partnership

- 13.1. Without prejudice to Article 13.3. of the present Statutes or any other mandatory legal obligations or prohibitions with respect to, or that affect the Cefic Membership or Partnership, resulting from national, supranational, international or EU laws, regulations, sanctions or final decisions requiring the Association to suspend a Member or Partner, a Member or a Partner can, with immediate effect, be provisionally suspended by the Board from all or part of its Membership rights or Partnership rights in the following cases:
- a) if an exclusion procedure has been launched against such Member or Partner according to Article 12.3. of the present Statutes;
 - b) if the Member or Partner fails to pay its Membership fee or Partnership contribution or fails to comply with any payment plan agreed upon between the Association and the Member or Partner after notification of a final payment reminder sent by e-mail or by registered letter granting an additional payment term of two (2) months to execute the payment, on the understanding that such suspension shall be effective until the Membership fee or Partnership contribution is paid;
 - c) for a duration determined by the Board, if a Member or Partner or any board member, Chief Executive Officer or other member of the key management of a Member or Partner is on the national or EU sanctions list and if the exercise of the Members' or Partners' rights harms the Association and/or prevents the latter from achieving its Purpose and/or carrying out its Object;
 - d) for a duration determined by the Board, (i) if a Member or Partner is registered or its holding company is registered in a country in which an event or circumstances of an exceptional nature, including but not limited to terrorism, riot or civil unrest occurs, or that initiated military aggression against another country or its citizens or its own country or citizens and (ii) if the exercise of the Members' or Partners' rights harms the Association and/or prevents the latter from achieving its Purpose and/or carrying out its Object.
- 13.2. The concerned Member or Partner has the right to present his defence on the envisaged suspension either by oral or written statement to the Board. The suspension decision of a Member or Partner by the Board is valid until the Board decides otherwise or until a final decision is taken on the exclusion of a Member or Partner by the General Assembly meeting.

The suspended Member or Partner will cease to benefit from its concerned membership or partnership rights, whereas the Member or Partner has to continue to fulfil all its membership or partnership duties under the present Statutes.

If after the period determined by the Board or the Association in accordance with Article 13.1., Para.1 b) of the present Statutes, the situation is not remedied, the Board can decide to initiate the exclusion procedure set out in Article 12.3. of the present Statutes.

- 13.3 A Member or Partner shall, with immediate effect, be automatically suspended from all or part of its Membership rights or Partnership rights, if following a national, supranational or international final decision or sanction, it is no longer allowed according to that decision or sanction to exercise all or part of its Membership right or Partnership rights within the Association.
- 13.4. Further provisions on the practical aspects and modalities regarding the end or suspension of Membership and Partnership may be adopted in compliance with Article 2:59 BCCA in the Internal Rules or in the Operating Rules of the Association.

III. CONSULTATIVE ASSEMBLIES

Art. 14. – Role and responsibilities

14.1. The Association has three (3) Consultative Assemblies:

- a) The "Consultative Assembly of the Member Federations" (AFEM);
- b) The "Consultative Assembly of the Corporate Members" (ACOM);
- c) The "Consultative Assembly of the Business Members" (ABM),

(hereinafter all referred to as the "**Consultative Assemblies**").

- 14.2. The Consultative Assemblies shall be consulted by and assist the Nomination Committee to prepare the list of candidates to the Board and the other governance bodies of or positions within the Association as referred to in Article 20.1. f), i), j) and k) of the present Statutes, to be elected by the General Assembly.
- 14.3. The Consultative Assemblies shall also serve as platforms of communication and consultation among their members and with the Board and the Executive Committee. In order to provide communication and consultation on major issues affecting their members, the Consultative Assemblies shall meet when necessary.

Art. 15. – Consultative Assembly of the Member Federations - AFEM

- 15.1. The "Consultative Assembly of the Member Federations" referred to in Article 14.1., a) of the present Statutes shall be composed of the Member Federations of the Association.
- 15.2. AFEM shall elect the National Associations Board referred to in Article 62 of the present Statutes.
- 15.3. The Member Federations shall participate in the AFEM meetings with the right to vote.

The Associate Federations shall be invited to participate in AFEM meetings, without the right

to vote.

Art. 16. – Consultative Assembly of the Corporate Members - ACOM

16.1. The "Consultative Assembly of the Corporate Members" referred to in Article 14.1 b) of the present Statutes shall be composed of the Corporate Members of the Association.

16.2. The Corporate Members shall participate in the ACOM meetings with the right to vote.

Art. 17. – Consultative Assembly of the Business Members - ABM

17.1. The "Consultative Assembly of the Business Members" referred to in Article 14.1. c) of the present Statutes shall be composed of the Business Members of the Association.

17.2. A maximum of twenty (20) Business Member Delegates as defined in Article 6.4., Para. 2 of the present Statutes attending the General Assembly meeting shall represent the Business Members at said meeting of the General Assembly. If more than twenty (20) Business Member Delegates attend the General Assembly, the Business Members decide amongst themselves by a relative majority of the votes of all Business Members present at the General Assembly meeting on the list of twenty (20) Business Member Delegates that shall ensure their representation and have the right to vote on their behalf at said General Assembly, while taking into account any eventual voting right exercised in advance of the General Assembly meeting by a Business Member in accordance with Article 23.6. of the present Statutes.

17.3. The Business Members shall participate in the ABM meetings with the right to vote.

17.4. Further provisions on the practical aspects and modalities regarding the composition and the functioning of the Consultative Assemblies may be laid down in compliance with Article 2:59 BCCA in the Internal Rules or the Operating Rules of the Association.

IV. GOVERNANCE AND OPERATIONAL STRUCTURE

Art. 18. – Governance structure

18.1. The Association is composed of the following governance bodies:

- a) The General Assembly;
- b) The Board;
- c) The Executive Committee;
- d) The Nomination Committee;
- e) The Audit and Finance Committee;
- f) The President;
- g) The Vice-President(s);

h) The Director General.

Art. 19. – Operational structure

19.1. The Association has the following operational bodies:

- a) Stakeholder Advisory Committee;
- b) Risk Management Committee;
- c) Programme Councils;
- d) Advisory Fora;
- e) Working Structures below the Programme Councils;
- f) Project Groups;
- g) Leadership Team;
- h) National Associations Board.

19.2. The Cefic administration is set up in order to support the General Assembly, the Board, the Executive Committee and the Director General in the management of the Association.

19.3. Further provisions on the practical aspects and modalities regarding the composition and the functioning of the governance bodies, the operational bodies and the Cefic administration may be laid down in compliance with Article 2:59 of the BCCA in the Internal Rules or the Operating Rules of the Association.

V. GOVERNANCE STRUCTURE

SECTION V.1. GENERAL ASSEMBLY

Art. 20. – Powers

20.1. The General Assembly is the supreme body of the Association and shall have the following exclusive powers:

- a) To set the general policy of the Association;
- b) To modify the Statutes;
- c) To admit new Members and Partners and to exclude Members and Partners;
- d) To determine the Membership fee and the underlying Membership fee structure of each category of Members and to determine the Partnership contribution and the underlying Partnership contribution structure of each category of Partners;

- e) In addition to the Membership fee decided annually pursuant to Article 20.1, Para. 1, d) of the present Statutes, to call for an additional Membership fee, from part or all Members to fulfil certain specific missions of the Association;
- f) To elect the members of the Board on proposal of the Nomination Committee and to revoke them and to determine the conditions, as the case may be, the financial conditions, under which the mandate of the Board members is conferred, exercised and terminated;
- g) To appoint and revoke at least one (1) external auditor;
- h) If required by law, to appoint and revoke the statutory auditor(s) ("*commissaires*") as set out in Article 68.4. of the present Statutes, and to determine their remuneration for the exercise of their mandate;
- i) Amongst the permanent representatives of the Board members, to elect (i) the President and (ii) the Vice-President(s), on proposal of the Nomination Committee, and to revoke them;
- j) Amongst the Board members, (i) to elect the Executive Committee members other than the ABM Chair, the AFEM Chair and the Industry Sector Representatives and to revoke them, and (ii) to elect the Chair of the Audit and Finance Committee and the Chair of the Nomination Committee on proposal of the Nomination Committee, and to revoke them;
- k) Amongst the Executive Committee members, to elect the Chair of each Programme Council and the Chair of each Advisory Forum on proposal of the Nomination Committee and to revoke them;
- l) To appoint the Director General on proposal of the Nomination Committee and to dismiss the Director General;
- m) To approve the yearly activity report of the Board;
- n) To approve the budget for the next financial year and the annual accounts of the preceding financial year;
- o) To vote on the discharge of the members of the Board and of the external auditor(s), or as the case may be, the statutory auditor(s);
- p) To dissolve the Association;
- q) To adopt, amend and/or further develop the Membership and Partnership Operating Rules;
- r) To decide on any other matter as provided for in the BCCA or the present Statutes.

Art. 21. – Composition

21.1. The General Assembly shall be composed of all Member Federations, Associate Federations and Corporate Members as defined under Article 6.1., Article 6.2. and 6.3., of the present Statutes, and maximum twenty (20) Business Member Delegates as defined in Articles 6.4.

and 17.2. of the present Statutes.

- 21.2. A Member other than a Business Member may be represented by one (1) or two (2) representative(s) (hereinafter referred to as the "**Member Representatives**"). The names of the Member Representative(s) empowered to vote shall be previously notified to the Director General of the Association.

The Business Members will be represented at the General Assembly by maximum twenty (20) Business Member Delegates referred to in Article 17.2. of the present Statutes. The names of the Business Member Delegates empowered to vote shall be brought to the attention of the Director General of the Association at the beginning of the General Assembly meeting at the latest.

- 21.3. A Member other than a Business Member who is unable to attend the General Assembly meeting may be represented by the Member Representative(s) of another Member by written proxy. One (1) Member Representative, however, may not represent more than fifteen (15) Members other than Business Members. Proxies must be notified in writing to the Director General of the Association.

A Business Member Delegate who is unable to attend the General Assembly meeting may not be represented neither by another Business Member Delegate nor by the Member Representatives of another Member by written proxy.

- 21.4. As an exception to Article 21.3 of the present Statutes, a Member Representative or a third party may act on behalf of an unlimited number of Member Federations, Associate Federations, Corporate Members or of the maximum of twenty (20) Business Member Delegates by virtue of a written proxy, if Belgian law requires that the decision of the General Assembly must be certified by a notarial deed.

- 21.5. Any change in the representation of a Member shall be previously notified to the Director General no less than one (1) calendar day before the next meeting of the General Assembly. At the opening of every meeting of the General Assembly any proxies given shall be presented to the President or, in his/her absence to one (1) of the Vice-President(s) or the chair who preside over the meeting, and who will immediately communicate them to the General Assembly.

- 21.6. The Director General may invite guests to attend the General Assembly.

Art. 22. – Meeting rules

- 22.1. An ordinary meeting of the General Assembly shall be held at least twice a year:

A first ordinary General Assembly meeting will be held in the first semester of the calendar year, during which the General Assembly decides amongst other things on the approval of the annual accounts of the preceding financial year and the discharge of the members of the Board and the external auditor(s), or as the case may be, the statutory auditor(s).

A second ordinary General Assembly meeting shall be held in the last quarter of the calendar year, during which the General Assembly decides amongst other things on the yearly activity report of the Board, the budget of the next financial year and the Membership fees and

Partnership contributions.

- 22.2. An extraordinary General Assembly meeting may be convened at any time (i) upon decision of the Board or the Executive Committee or (ii) by the statutory auditor(s) upon request of twenty (20) percent of the Members (if applicable). The President is also obliged to convene an extraordinary General Assembly meeting upon request of at least ten (10) percent of the Member Federations and Corporate Members.
- 22.3 The General Assembly meetings are held under the chairmanship of the President of the Association or, in case of his/her absence, under the chairmanship of one (1) of the Vice-President(s) previously designated by the President, or of a chair elected by the General Assembly, if the Vice-President(s) are absent.
- 22.4. An item has to be included on the agenda of the General Assembly at the request of a group of Members representing at least ten (10) per-cents of the total Membership as defined under Article 6.1., 6.2. and 6.3. of the present Statutes, including at least two (2) Member Federations.
- 22.5. The convening notice to the General Assembly meetings, including the date, place, time, the agenda and relevant documents, shall be sent by the Director General to the Member Federations, Associate Federations and the Corporate Members as well as to the Business Members at least a fourteen (14) calendar days before the date of the meeting. In case of a semi-virtual meeting as described in paragraph 22.6. of the present Statutes, the convening notice shall contain a clear and detailed description of the procedures relating to the remote participation which are also made available on the website of the Association. The convening notice shall be sent by mail, fax, e-mail, special courier or any other written means of communication.
- 22.6. The ordinary and extraordinary meetings of the General Assembly are held at a physical location, as determined in the convening notice, as the place of the meeting. If technically possible and unless otherwise provided in the present Statutes, Members and guests can, upon decision of the Board or the Executive Committee, attend the ordinary or extraordinary General Assembly meeting, either (i) physically or (ii) via conference call, video conference, web-conference or by any other electronic means of communications made available by the Association and which offers the possibility for the Association to check the identity of the Members and guests participating in the meeting. Such electronic means of communication must enable them (i) to directly, simultaneously and uninterruptedly follow the discussion during the meeting, (ii) to speak to each other and (iii), as far as the Members are concerned, to participate in the deliberation, to ask questions and to cast definitively their vote on all agenda items. With regard to compliance with the quorum and majority requirement rules, Members participating by such means in the General Assembly meeting shall be deemed present at the place where such meeting takes place.

Breakdowns, overloads, line failures, connection failures or any other event, incident, technical problem of the same or similar nature beyond the Association's power and related to the use of such electronic means shall not constitute a ground for annulment of the decision taken by the General Assembly, unless these constitute an irregularity as to the manner in which the decision is adopted pursuant to Article 2:42 BCCA. Such technical problems or incidents that have impeded or disturbed the participation by electronic means in the General Assembly or the vote must be mentioned in the minutes of the meeting with sufficient precision.

Art. 23. – Voting and quorum

23.1. Each Member other than a Business Member shall have one (1) vote within its respective constituency, as defined under Article 23.4., Para. 1, a) and b) of the Statutes.

Each of the maximum twenty (20) Business Member Delegates shall have only one (1) vote.

23.2. Voting can be done on site or remotely, in real time (i) by show of hand, (ii) by secret ballot or (iii) by electronic means. Voting by secret ballot takes place on sensitive matters and for any other purposes upon request of a minimum of ten (10) per-cents of the Member Federations, Associate Federations, Corporate Members and Business Member Delegates present or represented at the General Assembly meeting.

23.3. The General Assembly shall be deemed validly constituted and can take decisions regardless of the number of Member Federations, Associate Federations, Corporate Members or Business Member Delegates present or represented at the meeting.

23.4. Except when the present Statutes provide otherwise, for decisions of the General Assembly, a relative majority will be required within each of the three (3) constituencies in the following manner:

- a) relative majority of the votes of the Member Federations and Associate Federations present or represented at the meeting, plus,
- b) relative majority of the votes of the Corporate Members present or represented at the meeting, and in addition,
- c) relative majority of the votes of the twenty (20) Business Member Delegates referred to in Article 17.2. of the present Statutes, present or represented at the meeting.

Abstentions, blank or invalid votes do not count in the calculation of the majority.

23.5. No decision can be taken by the General Assembly on an item, which does not appear on the circulated agenda.

23.6. If mentioned in the convening notice and if the Association is able to verify the capacity and identity of the Members, votes can be expressed remotely by correspondence (by registered mail or e-mail to the Director General) in advance of the General Assembly meeting. In such case, every vote by correspondence cast twenty-four (24) hours before the starting time of the General Assembly meeting is considered valid.

The Member voting by correspondence has to cast its vote without reserves, without presenting an amendment to the proposal and without submitting its vote subject to any condition. Votes by correspondence cast will remain valid for all items mentioned and covered by the agenda communicated according to Article 22.5. of the present Statutes. If the proposal on which a vote by correspondence had been cast is subsequently validly changed by the General Assembly during the meeting, the said vote by correspondence is considered as null and void.

If a Business Member exercises such vote by correspondence validly in advance of the General Assembly meeting, its delegate shall be automatically put on the list of twenty (20) Business Member Delegates that will ensure the representation of the Business Members.

Art. 24. – Minutes of meeting

24.1. The minutes of the General Assembly, including a record of all resolutions of the General Assembly shall be drawn up under the responsibility of and signed by the Director General.

A copy of the minutes of the meeting shall be sent to all Members by post mail, e-mail or by any other means of communication within thirty (30) calendar days of the meeting.

24.2. The original minutes of the General Assembly have to be entered into a separate electronic or physical register, signed by the Director General and kept at the head office of the Association, where it must be made available to all Members for consultation.

24.3. Further provisions on the practical aspects and modalities regarding the composition of the General Assembly, the appointment of the Member Representatives or the Business Member Delegates, the General Assembly meeting rules or decision-making process may be laid down in compliance with Article 2:59 BCCA in the Internal Rules or the Operating Rules of the Association.

SECTION V.2. BOARD**Art. 25. – Powers**

25.1. The Board shall act as a collegial body and is vested with the overall management and administration powers in accordance with the applicable laws, the present Statutes and the decisions of the General Assembly. The Board is a strategic supervisory body with an oversight role which focuses on and discusses strategic directions and decisions of the Association.

All powers that are not expressly reserved by law or the present Statutes to the General Assembly are exercised by the Board.

The Board shall have the following exclusive powers:

- a) Developing the Association's vision, Purpose and values;
- b) Developing long-term strategic planning objectives;
- c) Submitting priorities to the General Assembly for approval;
- d) Setting governance, strategic and control policies for the Association;
- e) Executing and/or coordinating the implementation of resolutions taken by the General Assembly;
- f) Endorsing the amendments to the National Associations Board Operating Rules and the renewal of the National Associations Board adopted by the AFEM;
- g) Reviewing, evaluating and deciding on the strategic objectives and the general management policy plan of the Association;

- h) Establishing a Stakeholder Advisory Committee providing external advice on the Association and the chemical industry;
- i) Supervising and reviewing the performances and delivery of the Executive Committee, the Programme Council Chairs and the Advisory Forum Chairs;
- j) Supervising and monitoring the implementation by the Cefic administration of decisions, policies and plans of activities adopted by the General Assembly;
- k) Deciding to launch time-limited projects which do not fall in the policy area or field of responsibility of a single Program Council or Advisory Forum;
- l) Reviewing, evaluating and approving the financial situation and annual report of the Association;
- m) Preparing and submit to the General Assembly for approval the annual budget of the next financial year and the annual accounts of the preceding financial year and define resources requirements;
- n) Being responsible for the compliance with the governance principles and monitoring internal control and risk management systems;
- o) Amending the Internal Rules of the Association;
- p) Adopting and amending the Industry Sectors Operating Rules and the Anti-Dumping Operating Rules;
- q) In application of Articles 63 and 64 of the present Statutes, establishing or enrolling the Cefic Industry Sectors, and, upon presentation by the governing bodies of the relevant Cefic Industry Sector to the Board, recognise groups within Cefic such as Sector Groups and any other type of groups as the Board may define, and defining the conditions of access of the Recognised Groups and their members to the activities of the Association.

Art. 26. – Composition

26.1. The Board is composed of a minimum of ten (10) and a maximum of thirty (30) Board members elected by the General Assembly:

- a) The President and the Vice-President(s) are elected by the General Assembly in accordance with Article 43 of the present Statutes.
- b) Board members are elected by the General Assembly on a list proposed by the Nomination Committee respecting the following distribution and in the same proportion if the maxima mentioned are not reached:
 - (i) A maximum of six (6) Board members representing the Member Federations;
 - (ii) A maximum of ten (10) Board members which permanent representatives are the Chairs of the Programme Councils or the Advisory Fora;

- (iii) A maximum of three (3) Board members representing the Cefic Industry Sectors;
- (iv) A maximum of three (3) Board members representing the Business Members.

In addition, at least half (1/2) of the Board members shall be representatives of Corporate Members subject to the condition that among them maximum one (1) Board member shall be a representative of the Corporate B Members.

Except for the position as President and Vice-President(s), only legal entities may be proposed as candidate for a Board position and elected as Board members. Board members shall appoint as their permanent representative the Chief Executive/Executive Director/board member or equivalent level of Corporate Members or Business Members, and the President or member of the board of Member Federations as far as the representatives of AFEM are concerned, except in exceptional cases.

If there are not enough candidates proposed by the Nomination Committee or not enough elected Board members, the General Assembly can elect Board members directly at the respective General Assembly meeting.

26.2. The tenure of Board members is two (2) years. Any Board member may be re-elected.

26.3. Except for the President and the Vice-President, the tenure of a Board member shall end by (i) dissolution or the bankruptcy of the Board member, (ii) the revocation by the General Assembly or (iii) the expiration of its term.

The revocation of the Board as a whole or of a Board member by the General Assembly before the end of the term of their respective mandate shall respectively require a three quarters (3/4) majority of the votes within each voting constituency of (i) Member Federations and Associate Federations, (ii) Corporate Members and (iii) Business Member Delegates present or represented in the meeting. The Board member whose revocation is proposed has the right to be heard.

The members of the Board are free to resign at any moment by formally giving written notice at the head office of the Association.

Resignation shall be presumed and shall take automatically effect if a permanent representative of a Board member ceases (i) his/her function of Chief Executive/Executive Director/board member in the Corporate Member or in the Business Member he/she represents, or (ii) his/her function of President or member of the board in the Member Federation he/she represents.

26.4. If a Board position becomes vacant, the Nomination Committee shall have the power to propose a new Board member for decision by the Board to fill the vacancy until the first following General Assembly meeting at which an election shall be held in compliance with the provisions laid down in Articles 26.1. and 26.2. of the present Statutes.

Art. 27. – Remuneration

27.1. Unless specifically decided otherwise by the General Assembly or by the present Statutes, the Board members shall not be entitled to receive any remuneration in compensation of their

duties.

Art. 28. – Meeting rules

- 28.1. The Board shall meet at least twice a year. In addition, it must be convened upon request of at least seven (7) Board members. In the Board meetings the Board shall focus on strategy, prioritisation, giving directions and large debates, long-term projects of the Programme Councils and issues that the Executive Committee cannot resolve.
- 28.2. The invitation to attend the Board meetings, including the agenda and the relevant documents, shall be sent by the Director General of the Association to the Board members, at least ten (10) calendar days before the date of the meeting. The invitation shall be sent by mail, fax, e-mail, special courier or any other written means of communication.
- 28.3. The Board meeting is chaired by the President, or in case of his/her absence, by one (1) of the Vice-President(s).
- 28.4. Subject to the provision and limitations stipulated in the present Statutes or in the Internal Rules of the Association, experts and other guests may be invited by the President to attend the Board meetings.

The Director General shall be permanent guest of the Board.

Where necessary, members of the Leadership Team or the Cefic staff may attend the Board meeting, but without the right to vote.

- 28.5. The Board meeting may be held with or, to the extent legally admitted, without physical location designated as place of the meeting. Board members, the Director General, and as the case may be, experts, guests, members of the Leadership Team or the Cefic staff shall attend the meeting in person. They may also participate in the meeting via conference call, video conference, web-conference or by any other electronic means of communication made available by the Association, which offers the possibility to the Association to check the identity of the participants. Such electronic means of communication must enable the Board members, the Director General, experts, guests, the members of the Leadership Team or the Cefic staff participating in the meeting (i) to directly, simultaneously and uninterruptedly follow the discussions during the meeting, (ii) to speak to each other and (iii) as far as Board members are concerned, to participate in the deliberation, to ask questions and to cast definitively their vote on the agenda items. Any Board member, expert, guest, the Director General or the members of the Leadership Team or the Cefic staff participating by such means shall be deemed present at such meeting.

Breakdowns, overloads, line failures, connection failures or any other event, incident, technical problem of the same or similar nature beyond the Association's power and related to the use of such electronic means shall not constitute a ground for annulment of the decision taken by the Board, unless these constitute an irregularity as to the manner in which the decision is adopted pursuant to Article 2:42 BCCA. Such technical problems or incidents that have impeded or disturbed the participation by electronic means to the Board or the vote must be mentioned in the minutes of the meeting with sufficient precision.

Art. 29. – Voting and quorum

- 29.1. Each Board member shall have one (1) vote.
- 29.2. The Director General, experts, guests, the members of the Leadership Team or the Cefic staff may attend the Board meeting without the right to vote.
- 29.3. A member of the Board who is unable to attend the Board meeting may be represented by another member of the Board by virtue of a written proxy. One (1) Board member, however, may not represent more than one (1) other Board member. Proxies must be notified in writing to the Director General of the Association.
- 29.4. The Board will be deemed validly constituted and has the quorum to take a decision if at least half (1/2) of the Board members are present or represented at the meeting.
- 29.5. The Board shall take its decisions by a three-quarters (3/4) majority of the votes of the Board members present or represented at the meeting.

Abstentions, blank or invalid vote do not count in the calculation of the majority.

In case of a direct financial or non-financial conflict of interest arising on EU related matters (e.g. anti-dumping case) that are on the agenda of the Board, as the case may be, those Board members which are not engaged in the production of chemicals in the EU territory shall abstain from voting.

In the case of tie vote, the President has the casting vote.

- 29.6. Voting can be done on site or remotely, in real time (i) by show of hand, (ii) by secret ballot or (iii) by electronic means. Voting by secret ballot takes place on sensitive matters and for any other purposes upon request of a minimum of ten (10) of the Board members.
- 29.7. No decision can be taken on an item, which does not appear on the circulated agenda.
- 29.8. Votes cannot be expressed by correspondence or by e-mail prior to the meeting.
- 29.9. If a decision cannot be deferred until the following meeting of the Board, a written decision making procedure can be launched in which the Board may be consulted and exceptionally vote in a ballot without personal meeting, i.e. by fax, by-email or by exchange of written letter.

The calling notice for the written decision-making shall be sent together with the text of the proposal and all supporting documents to all Board members at least ten (10) calendar days before the deadline for voting. The vote shall only be valid if at least half (1/2) of the Board members have sent a reply. Except in urgent cases, replies shall be sent within ten (10) calendar days. Any decision taken by this route shall be notified for confirmation at the subsequent meeting of the Board.

Art. 30. – Minutes of meeting

- 30.1. The minutes of the Board, including a record of all resolutions of the Board shall be drawn up

under the responsibility of and signed by the Director General.

A copy of the minutes of the meeting shall be sent to all Board members by post mail, e-mail or by any other means of communication within thirty (30) calendar days of the meeting.

- 30.2. The original minutes have to be entered into a separate electronic or physical register, signed by the Director General and kept at the head office of the Association, where Board members and Members may consult these.
- 30.3. Further practical aspects and modalities regarding the eligibility of candidate directors, the preparation of candidatures, the composition of the Board, the Board meeting rules or decision-making process may be laid down in compliance with article 2:59 BCCA in the Internal Rules or the Operating Rules of the Association.

SECTION V.3. EXECUTIVE COMMITTEE

Art. 31. – Powers

- 31.1. Subject to the supervision of the Board, the Executive Committee shall manage the operations and affairs of the Association and exercise the powers delegated to it by the Board including the residual powers in accordance with Articles 65 and 66 of the present Statutes. The Executive Committee is the key decision panel in the Association within the directions given by the Board.

Subject to the foregoing and to the terms and conditions of the present Statutes, the powers of the Executive Committee shall among others include:

- a) In consultation with the Director General, examining, defining, exploring and deciding on strategic opportunities and proposals which could lead to the further development of Association, including but not limited to :
 - (i) Analysing strategies, activity plans and developing a plan for the Association, in order to submit a proposal to the Board for discussion and approval;
 - (ii) Organizing activities required for the implementation of strategies and, if needed, proposing changes;
 - (iii) Drafting and working out strategic guidelines to be submitted to the Board for approval, such as:
 - operational purpose of the Association;
 - other topics that, in the option of the Board or the Director General, require a strategic decision at Board level;
- b) Reviewing and approving policy positioning;
- c) Decide to launch the procedure in view of the conclusion of a Voluntary Commitment, upon the proposal of a Programme Council;

- d) Deciding on organisation and representation matters and on Cefic Common Positions or Voluntary Commitments of the Association, if no consensus can be reached in the competent Programme Council(s) or if an Advisory Forum advises the Executive Committee to do so;
- e) Deciding to launch time-limited projects which do not fall in the policy area or field of responsibility of a single Program Council or Advisory Forum and to this end, create a Project Group;
- f) Creating Program Councils, Advisory Fora and working groups;
- g) Monitoring the progress of work of the Programme Councils, the Advisory Fora, the Cefic administration/Director General, the working groups, Project Groups and/or project coordinators;
- h) Representing the Association to public authorities, including EU institutions;
- i) Supporting the Director General in the day-to-day management and the exercise of its responsibilities, approve the yearly activity report of the Director General;
- j) Confirming the creation, dissolution of any working groups as it deems necessary;
- k) Drafting and amending the Programme Councils Operating Rules, the Advisory Fora Operating Rules, the Working Structure Operating Rules and the Leadership Team Operating Rules;
- l) Deciding upon any other matter or activity serving the Purpose of the Association that has not specifically and explicitly allocated by the present Statutes to another body of the Association.

Art. 32. – Composition

32.1. The Executive Committee represents the wider membership of the Association and is composed of a maximum of fifteen (15) Executive Committee members including:

- a) The President elected by the General Assembly according to Article 43 of the present Statutes;
- b) The Vice President(s) elected by the General Assembly according to Article 43 of the present Statutes cumulating such role with another specific role stipulated in Articles 32.1. c) to f) of the present Statutes;
- c) The ABM Chair elected by the Consultative Assembly of Business Members;
- d) The Cefic Industry Sector Representatives elected by the constituency of their respective Cefic Industry Sector;
- e) The Programme Council Chairs elected by the General Assembly on a proposal of the Nomination Committee among the Board members;
- f) The Advisory Forum Chairs elected by the General Assembly on a proposal of the Nomination Committee among the Board members.

The Executive Committee is completed by the AFEM Chair, the Director General and any other person designated by the Nomination Committee having a seat as permanent guests in the Executive Committee.

Except for the position as President and Vice-President(s), only legal entities may be proposed as candidate for an Executive Committee position and elected as Executive Committee members.

Except for the ABM Chair and the AFEM Chair, the Executive Committee members shall be assigned for a two (2) years term and may be re-elected.

Without prejudice to Article 32.2. of the present Statutes, the Executive Committee members shall serve as such in the above mentioned specific roles and portfolios until their dissolution, bankruptcy, their resignation, their revocation, or until the General Assembly or the respective constituency elects their successor.

- 32.2. The tenure of an Executive Committee member shall end by (i) dissolution or bankruptcy of the Executive Committee member, (ii) by resignation, (iii) the revocation or (iii) the expiration of its term.

The members of the Executive Committee are free to resign at any moment by formally giving written notice at the head office of the Association.

The revocation of the Executive Committee as a whole or of an Executive Committee member by the General Assembly before the end of the term of their respective mandate shall (i) require a three-quarters (3/4) majority of the votes within each constituency of (i) Member Federations and Associate Federations, (ii) Corporate Members and (iii) Business Member Delegates, present or represented at the meeting. The Executive Committee member whose revocation is proposed has the right to be heard.

- 32.3. If an Executive Committee position other than the President, AFEM Chair, the ABM Chair, the Cefic Industry Sector Representatives or Director General becomes vacant, the Nomination Committee shall have the power to propose a new Executive Committee member for decision by the Executive Committee to fill the vacancy until the first following General Assembly meeting at which an election shall be held in compliance with the provisions laid down in Article 32.1. of the present Statutes.

If the position of the President, AFEM Chair, the ABM Chair, the Cefic Industry Sectors Representatives or Director General becomes vacant, it shall stay vacant until the General Assembly or the respective constituency elects their successor.

- 32.4. The Executive Committee reports to the Board twice a year.

Art. 33. – Meeting rules

- 33.1. The Executive Committee meets between Board meetings when necessary, but at least four (4) times a year.
- 33.2. The invitation to attend the Executive Committee meetings, including the agenda and the relevant documents, shall be sent by the Director General of the Association to the Executive

Committee members, at least ten (10) calendar days before the date of the meeting. The invitation shall be sent by mail, fax, e-mail, special courier or any other written means of communication.

- 33.3. The Executive Committee meeting is chaired by the President, or in case of his/her absence, by one (1) of the Vice-President(s).
- 33.4. Subject to the provision and limitations stipulated in the present Statutes or in the Internal Rules of the Association, experts and other guests may be invited by the President to attend the Executive Committee meetings.

The AFEM Chair, the Director General and any other person designated by the Nomination Committee, shall be permanent guests of the Executive Committee.

Where necessary, members of the Leadership Team or the Cefic staff may attend the Executive Committee meeting.

- 33.5. Executive Committee meetings may be held with or, to the extent legally permitted, without physical location designated as place of the meeting. Executive Committee members and as the case may be, experts, guests, members of the Leadership Team or the Cefic staff may attend the meeting in person. They may also participate in the meeting via conference call, video conference, web-conference or by any other electronic means of communication made available by the Association, which offer the possibility to the Association to check the identity of the participants. Such electronic means of communication must enable the Executive Committee members, experts, guests, the members of the Leadership Team or the Cefic staff participating in the meeting (i) to directly, simultaneously and uninterruptedly follow the discussions during the meeting, (ii) to speak to each other and (iii) as far as the Executive Committee members with voting right are concerned, to participate in the deliberation, to ask questions and to cast definitively their vote on the agenda items. Any Executive Committee member, expert, guest, or the members of the Leadership Team or the Cefic staff participating by such means shall be deemed present at such meeting.

Breakdowns, overloads, line failures, connection failures or any other event, incident, technical problem of the same or similar nature beyond the Association's power and related to the use of such electronic means shall not constitute a ground for annulment of the decision taken by the Executive Committee, unless these constitute an irregularity as to the manner in which the decision is adopted pursuant to Article 2:42 BCCA. Such technical problems or incidents that have impeded or disturbed the participation by electronic means to the Executive Committee or the vote must be mentioned in the minutes of the meeting with sufficient precision.

Art. 34. – Voting and quorum

- 34.1. Each Executive Committee member other than the Director General and the AFEM Chair shall have one (1) vote.
- 34.2. The Director General, the AFEM Chair, experts, guests, the members of the Leadership Team or the Cefic staff may attend the Executive Committee meeting, but without the right to vote.
- 34.3. A member of the Executive Committee who is unable to attend the Executive Committee meeting may be represented by another member of the Executive Committee by virtue of a written proxy. One (1) Executive Committee member, however, may not represent more than

one (1) other Executive Committee member. Proxies must be notified in writing to the Director General of the Association.

34.4. The Executive Committee will be deemed validly constituted and has the quorum to take a decision if at least half (1/2) of the Executive Committee members are present or represented at the meeting.

34.5. The Executive Committee shall take its decisions by a relative majority of the votes of the Executive Committee members present or represented at the meeting.

Without prejudice to the aforementioned paragraph, decisions relating to Article 31.1., Para. 2, k) of the present Statutes shall be adopted by the Executive Committee at a majority of three quarters (3/4) of the Executive Committee members present or represented at the meeting.

Abstentions, blank or invalid vote do not count in the calculation of the majority.

In case of a direct financial or non-financial conflict of interest arising on EU related matters (e.g. anti-dumping case) that are on the agenda of the Executive Committee, as the case may be, those Executive Committee members which are not engaged in the production of chemicals in the EU territory shall abstain from voting.

In the case of tie vote, the President has the casting vote.

34.6. Voting can be done on site or remotely, in real time (i) by show of hand, (ii) by secret ballot or (iii) by electronic means. Voting by secret ballot takes place on sensitive matters and for any other purposes upon request of a minimum of five (5) Executive Committee members.

34.7. No decision can be taken on an item, which does not appear on the circulated agenda.

34.8. Votes cannot be expressed by correspondence or by e-mail prior to the meeting.

34.9. If a decision cannot be deferred until the following meeting of the Executive Committee, a written decision making procedure can be launched in which the Executive Committee may be consulted and vote in a ballot without personal meeting, i.e. by fax, by-email or by exchange of written letter.

The calling notice for the written decision-making shall be sent together with the text of the proposal and all supporting documents to all Executive Committee members at least ten (10) calendar days before the deadline for voting. The vote shall only be valid if at least half (1/2) of the Executive Committee members having the right to vote have sent a reply. Except in urgent cases, replies shall be sent within ten (10) calendar days. Any decision taken by this route shall be notified for confirmation at the subsequent meeting of the Executive Committee.

Art. 35. – Minutes of meeting

35.1. The minutes of the Executive Committee, including a record of all resolutions of the Executive Committee shall be drawn up under the responsibility of and signed by the Director General.

A copy of the minutes of the meeting shall be sent to all Executive Committee members by post

mail, e-mail or by any other means of communication within thirty (30) calendar days of the meeting.

35.2. The original minutes have to be entered into a separate electronic or physical register, signed by the Director General and kept at the head office of the Association, where Executive Committee, the Board members and Members may consult these.

35.3. Further provisions on the practical aspects and modalities regarding the eligibility of candidates, the preparation of the candidates, the composition of the Executive Committee, the Executive Committee meeting rules or decision-making process may be laid down in compliance with Article 2:59 BCCA in the Internal Rules or the Operating Rules of the Association.

SECTION V.4. NOMINATION COMMITTEE

Art. 36. – Role and responsibilities

36.1. A Nomination Committee shall be created to assist the Board every two (2) years or when necessary, by making recommendations and preparing the list of candidates in accordance with Article 38 of the present Statutes (i) for the elections by the General Assembly according to Article 20.1., f), i), j) and k) of the present Statutes and (ii) for the appointment of the Director General by the General Assembly according to Article 20.1., l) of the present Statutes.

In particular, the key responsibilities of the Nomination Committee are:

a) With regard to the election and assessment of the President, the Vice-President(s), the members of the Board, the Executive Committee members, the members of the Audit and Finance Committee and of the Nomination Committee and the Chair of each Programme Council and Advisory Forum:

- (i) Providing recommendations concerning the size and composition of the Board, the Executive Committee and the repartition of the roles and portfolios in the Board and the Executive Committee;
- (ii) Preparing objective selection criteria and procedures, selecting and proposing suitable candidates for election and reviewing appropriate candidates as proposed by the Consultative Assemblies;
- (iii) Selecting and proposing suitable candidates for vacant positions and reviewing appropriate candidates as proposed by the Consultative Assemblies;

b) With regard to the appointment of the Director General by the General Assembly recommending individuals for the appointment as Director General.

Art. 37. – Composition

37.1. The Nomination Committee shall be composed of the President, the Vice-President(s), and one (1) representative of respectively AFEM, ACOM and ABM.

All members of the Nomination Committee other than the President and the Vice-Presidents are Board members, but are not Executive Committee members. The permanent representative of a Board member shall also be the permanent representative of that Board member at the Nomination Committee.

- 37.2. The Director General shall be a permanent guest of the Nomination Committee and has a consultative role in the selection procedures of the Nomination Committee.
- 37.3. The members of the Nomination Committee other than the Chair of the Nomination Committee are appointed by the Board.

The Nomination Committee selects the Chair of the Nomination Committee for election by the General Assembly in accordance with Article 20.1, j) of the present Statutes.

The duration of the mandate of a member of the Nomination Committee may not exceed the duration of its Board membership.

Art. 38. – Nomination procedure

- 38.1. Subject to the provisions and limitations stipulated in the present Statutes or the Internal Rules, any employee or other representative of a Corporate Member, Business Member or Member Federation can be candidate for any of the functions that might be taken by a permanent representative of a Board member, i.e. President and Vice-President(s).

Subject to the provisions and limitations stipulated in the present Statutes or the Internal Rules, any Corporate Member, Business Member or Member Federation can be candidate for any of the functions that might be taken by a Board member, i.e. Executive Committee member, the Programme Council Chair, the Advisory Forum Chair, and the Nomination Committee and the Audit and Finance Committee members, including their respective Chairs. The natural person representing a Board member in the aforementioned functions shall be the permanent representative of that Board member.

The Nomination Committee shall apply the following criteria for drafting the respective candidates list:

- a) All candidates to the Board, except for the position of President and Vice-President, are legal entities which shall appoint their permanent representative in accordance with Article 26.1., Para. 2 of the present Statutes;
 - b) The list shall reflect a balanced representation of AFEM, ACOM, ABM, the Cefic Industry Sectors, and the different European countries and regions, with at least half (1/2) of the candidates being representatives of Corporate Members;
 - c) There shall be only one (1) candidate per Corporate or Business Member;
 - d) Any other objective criteria as it deems necessary or laid down in the present Statutes, Internal Rules or the Operating Rules for a specific candidate list.
- 38.2. The Director General shall inform the President and the Chair of the Nomination Committee of the upcoming elections for the positions mentioned in Article 38.1. of the present Statutes.

The President shall promptly send an invitation to the chairs of the Consultative Assemblies (AFEM, ACOM and ABM) and to the Cefic Industry Sectors to coordinate the process of

collection of candidatures in their respective constituencies (hereinafter referred to as the **"Invitation of collection of candidatures"**).

Within ten (10) calendar days of the Invitation of the collection of candidatures the Chairs of AFEM, ACOM and ABM shall send a call for candidatures to their members. The Chair of the Nomination Committee shall send a call for candidature to the Cefic Industry Sectors.

A candidature must be submitted to the Cefic administration within thirty (30) calendar days of the receipt of the Invitation of collection of candidatures.

38.3. The Cefic administration informs the Chair of the Nomination Committee, the Chairs of AFEM, ACOM, ABM and of the Cefic Industry Sector on the received candidatures for their respective constituencies.

38.4. If there are not enough candidates proposed by the different constituencies of AFEM, ACOM, ABM to the Nomination Committee, or other additional candidates are needed to ensure the respect of the criteria for finalising the list, the Nomination Committee, after informing the Board, has the right to include other candidates to the list to be finalised.

38.5. The Nomination Committee meets when necessary to discuss the proposals of candidates.

When preparing the list of candidates, the Nomination Committee may at any time submit such list to the Board for approval before moving to the next round of nomination of candidates.

The Chair of the Nomination Committee informs the Board on a regular basis on the status of the nomination process.

38.6. The Nomination Committee shall hold a meeting to deliberate on the proposals of candidates and must reach an agreement on the final candidates list(s) and present the latter to the Board at latest forty (40) calendar days before the General Assembly or, if applicable, the Board meeting.

38.7. The Nomination Committee shall inform each eligible person about forthcoming elections and request his/her agreement to his/her inclusion in the final list of candidates to be presented for the elections by the General Assembly or, if applicable, the Board.

At the latest fourteen (14) calendar days before the General Assembly, or if applicable, the Board meeting, all Members shall be notified of the final candidate list(s).

38.8. In case of vacancy of a Board member position, the Nomination Committee shall have the power to propose a new Board member for decision by the Board according to Article 26.4. of the present Statutes. In this case, the Nomination Committee shall apply a similar consultation process than for the preparation of the list of candidates.

Subject to the provisions and limitations stipulated in the present Statutes or the Internal Rules the same rule would apply in case of vacancy of a position in another governance body or body of the Association for which the Nomination Committee shall assist with the preparation of the list of candidates according to this Article 38 of the present Statutes.

Article 39 - Conflict of interest

39.1. If a member of the Nomination Committee, or its permanent representative, is a potential candidate and currently fulfilling one (1) or more positions mentioned in Article 36.1. of the present Statutes, he/she/it shall refrain at any time from taking a position or influencing the other Nomination Committee members on the inclusion of his/her/its name on the list of candidates to be proposed by the Nomination Committee. He/she/it shall leave the Nomination Committee while the list of candidates for that position posing a conflict of interest for him/her/it is discussed and determined.

Art. 40. – Reporting

40.1. The Nomination Committee shall report exclusively and on a regular basis to the Board.

40.2. Further provisions regarding the composition, the role, the functioning and the meeting rules of the Nomination Committee may be laid down in compliance with Article 2:59 BCCA in the Internal Rules and the Operating Rules of the Association.

SECTION V.5. AUDIT AND FINANCE COMMITTEE**Art. 41. – Role and responsibilities**

41.1. An Audit and Finance Committee shall be created by the Board to assist the Board in the governance of the financial matters of the Association.

In particular, the key responsibilities of the Audit and Finance Committee include, but are not limited to the following:

- a) Monitoring the financial affairs, the annual accounts and the budget of the Association;
- b) Establishing overall long and short term financial goals, objectives and priorities;
- c) Establishing the yearly budget proposals and monitoring of incomes/expenses;
- d) Assessing the financial risks.

Art. 42. – Composition

42.1. The Chair and the members of the Audit and Finance Committee shall be elected among the Board members by the General Assembly for two (2) years and may be re-elected.

42.2. The members of the Audit and Finance Committee are exclusively composed of Board members, who are not Executive Committee members. The permanent representative of a Board member shall also be the permanent representative of that Board member at the Audit and Finance Committee.

42.3. Further provisions regarding the composition, the role, the functioning and the meeting rules of the Audit and Finance Committee may be laid down in compliance with Article 2:59 BCCA the Internal Rules and the Operating Rules of the Association.

SECTION V.6. PRESIDENCY- VICE-PRESIDENCY

Art. 43. – Election of the President – Vice President(s)

43.1. The General Assembly shall elect a President and the Vice-President(s) for a term of two (2) years.

Only natural persons, being the Chief Executives, Executive Directors, Board members of Corporate Members and Business Members or equivalent level, and President or member of the board of Member Federations as far as the representatives of AFEM are concerned may be proposed as candidate for a position and elected as President or Vice-President(s).

43.2. The President and the Vice-President(s) may be re-elected for a further period of two (2) years maximum.

43.3. The President may not be appointed in the position of the Director General and vice-versa.

Art. 44. – Role and responsibilities of the President – Vice President(s)

44.1. The President is the highest representative of the Association in policy and strategic matters. He/she shall be responsible for ensuring that the activities of the Association are pursued in compliance with the present Statutes and in accordance with the decisions adopted by the General Assembly and the Board.

In particular the responsibilities of the President include, but are not limited to the following:

- a) Establishing overall long and short-term goals, objectives and priorities for the Association in collaboration with the other Board members;
- b) Chairing the Board and the Executive Committee and providing leadership and direction;
- c) Ensuring the coherence and integration of different initiatives and actions that support the strategy and the policies;
- d) Addressing the General Assembly;
- e) Being the primary spokesperson for the Association for the public at large and the Membership;
- f) Ensuring that the structure of the Association is evaluated at regular intervals and that it meets the needs of the Association.

44.2. The Vice-President(s) assist(s) the President. If the President is absent or for whatever reason unable to perform his/her duties, he/she is replaced by one (1) of the Vice-President(s).

Art. 45. – End of mandate

45.1. The tenure of the President or Vice-President(s) shall end by (i) death or legal disqualification, (ii) resignation, (iii) the revocation by the General Assembly or (iii) the expiration of his/her term.

The President or Vice-President(s) are free to resign at any moment by formally giving written notice at the head office of the Association.

In addition, resignation shall be presumed and shall take automatically effect (i) if the President or Vice-President(s) ceases to be Chief Executive, Executive Director, Board member in the Corporate Member or Business Member or equivalent level, and President or member of the Board of Member Federations as far as the representatives of AFEM are concerned, or (ii) if the Corporate Member, the Business Member or the Member Federation he/she represents goes bankrupt or is dissolved.

The revocation of the President or Vice-President(s) by the General Assembly before the end of the term of his/her respective mandate shall (i) require a three quarters (3/4) majority of the votes within respectively each constituency of (i) Member Federations and Association Federations, (ii) Corporate Members and (iii) Business Member Delegates present or represented at the meeting. The President or Vice-President(s) whose revocation is proposed has the right to be heard.

- 45.2. If the position of the President becomes vacant before the end of his/her mandate, the Board of Directors designates one (1) of the Vice-President(s) to fill the vacancy until the first following General Assembly meeting at which an election shall be held in compliance with the provisions laid down in Article 43 of the present Statutes.
- 45.3. Further provisions on the practical aspects and modalities regarding the appointment, the end of the mandate, the role and responsibilities, right and duties of the President and the Vice-President(s) may be laid down in compliance with Article 2:59 BCCA in the Internal Rules or the Operating Rules of the Association.

SECTION V. 7. DIRECTOR GENERAL

Art. 46. – Role and responsibilities

- 46.1. The Director General shall have charge over the general management of the Association and in particular the day-to-day management. In accordance with the BCCA, the day-to-day management covers "all acts and decisions that do not exceed the needs of the daily life of the Association as well as all acts and decisions that, either due to the level of minor interest they represent or due to their urgent character, do not justify the intervention of the management body". The day-to-day management powers of the Director General shall include (but are not limited to) the following:
- a) To ensure the smooth functioning of the Programme Councils, Advisory Fora and the services provided to the Members;
 - b) To see to the strict impartiality and neutrality of the Association and ensure that the One Voice and Minority Rights Policy are applied according to Section 16 of the Internal Rules;
 - c) To prepare and distribute agendas, working documents and minutes of all meetings of the General Assembly, the Board, the Executive Committee, the National Associations Board and the Consultative Assemblies. In general and except if requested otherwise by law, correspondence, the agenda of meetings, working

documents and minutes will normally be in English. In special cases and to the extent to which other versions are available from outside sources, the Director General will attempt to obtain official documents in the languages of the Members;

- d) As part of the ongoing revision of Cefic policies and activities, to convene a meeting of all Members for information purposes and exchange of views and opinions;
- e) To participate in the meetings of the General Assembly, the Board and the Executive Committee and to propose to the President to invite the members of the National Associations Board, as well as other staff of Cefic to attend to these meetings for specific agenda topics;
- f) To ensure that appropriate staff shall always be present in all meetings of groups and bodies working in the framework of Cefic to ensure adequate application of Cefic governance and competition compliance policy;
- g) To manage HR related matters and staffing of Cefic at all levels, including but not limited to, signing of employment and secondment contracts and represent Cefic vis-à-vis employers' organisations and trade unions;
- h) To manage the office and the activities of Cefic within the ordinary course of business, and to this end, to enter into any agreement, to sign contracts or deeds on behalf of the Association, including but not limited to, desk lending agreements, sublease agreements for offices, meeting rooms, parking spaces, EU grants, memoranda of understanding, consultancy and other service agreements, sponsorship contracts, cooperation contracts, commitments for goods or products in general and in particular those related to information and communication activities, computers infrastructure, information systems and data processing;
- i) To communicate and implement the decisions of the governance bodies and other bodies of the Association;
- j) To sign daily correspondence and to sign any receipt for registered mail, documents or packages addressed to the Association through the Post Office, any express delivery service company or other company ;
- k) To purchase or sell movable property;
- l) To collect and pay monies and receipts to public authorities;
- m) To act as chairman of the Leadership Team;
- n) To advise the Executive Committee periodically on the support services provided;
- o) To represent the Association, vis-à-vis any public authority, administration or agency, including in particular, the Post Office, the telephony operator and any Tax administration;
- p) To manage the daily operations of the bank accounts of the Association, the relative saving accounts, and if required to open additional bank accounts as well as to represent the Association in all its dealings with the banks;

- q) To take out, sign, transfer or cancel all insurance policies; and,
- r) More generally, to take all acts, measures necessary to the functioning of services, the acts of conservation and to run the general operations of the Association.

46.2. In addition, the Director General shall have the following special powers:

- a) To enter into research contracts, under the Long Range Initiative programme ;
- b) To request a provisional instalment to the Members and Partners in proportion to the Membership fee or Partnership contribution for the preceding year;
- c) To sign jointly with the President letters or notes in view of the implementation by the President on behalf of the Board of major decisions affecting the future of Cefic;
- d) Any special powers referred to in the Statutes; and
- e) Any other specific powers delegated to him/her by the Board or the Executive Committee on an *ad hoc* basis.

47. – Appointment – mandate

- 47.1. The Director General shall be a natural person, appointed by the General Assembly upon the proposal by the Nomination Committee. He/She shall be appointed for a mandate of five (5) years, renewable.
- 47.2. The mandate of the Director General shall end upon (i) the death or the legal disqualification of the Director General, (ii) resignation by the Director General at any time, (iii) the revocation by the General Assembly at any time or (iv) the expiration of its term.
- 47.3. In performing his/her duties the Director General shall be evaluated by the President and shall report to the Executive Committee on the execution of his/her mission. He/she will also inform the Board and, once a year, the General Assembly on the developments of activities of Cefic.

VI. OPERATIONAL STRUCTURE

SECTION VI.1. STAKEHOLDER ADVISORY COMMITTEE

Art. 48. – Role and responsibilities

- 48.1. The Board may decide to create a Stakeholder Advisory Committee to provide advice to the Board.

In particular, the key responsibilities of the Stakeholder Advisory Committee include, but are not limited to the following:

- a) Providing external feedback and advising the Board on the performance of Cefic and the European chemical industry, in the widest sense.

b) Informing the Board of key issues that have an impact on the European Chemical Industry and where the industry should focus on.

48.2. The Stakeholder Advisory Committee shall not advise on the Cefic Common Positions.

48.3. The Stakeholder Advisory Committee shall report once (1) per year to the Board.

Art. 49. – Composition

49.1. The composition and functioning of the Stakeholder Advisory Committee may be laid down in the Internal Rules and in the Operating Rules of the Association, as approved by the Board.

49.2. The Stakeholder Advisory Committee is chaired by a member of the Board and supported by the Director General.

Art. 50. – Meeting Rules

50.1. The Stakeholder Advisory Committee shall meet at least once (1) per year.

50.2. Further provisions regarding the role and the meeting rules of the Stakeholder Advisory Committee may be laid down in compliance with Article 2:59 BCCA in the Internal Rules and the Operating Rules of the Association.

SECTION VI.2. RISK MANAGEMENT COMMITTEE

Art. 51. – Role and responsibilities

51.1. The Executive Committee may decide to create a Risk Management Committee to assist the Executive Committee in identifying potential upcoming issues and overseeing upcoming societal, scientific, regulatory and advocacy risks impacting the European Chemical Industry as a whole in the future.

51.2. The Risk Management Committee shall report once (1) per year to the Executive Committee.

Art. 52. – Composition

52.1. The composition and functioning of the Risk Management Committee may be laid down in the Internal Rules and in the Operating Rules of the Association, as approved by the Executive Committee.

52.2. The Risk Management Committee is chaired by a member of the Executive Committee and supported by the Director General.

Art. 53. – Meeting rules

53.1. The Risk Management Committee shall meet at least once (1) per year.

53.2. Further provisions regarding the role and the meeting rules of the Risk Management Committee may be laid down in compliance with Article 2:59 BCCA in the Internal Rules and the Operating Rules of the Association.

SECTION VI.3. PROGRAMME COUNCILS

Art. 54. – Role and responsibilities

54.1. The Executive Committee shall create Programme Councils to assist it in performing its mission according to the Statutes. The Chair of each Programme Council (hereinafter the "**PC Chair**") shall be a member of the Executive Committee elected by the General Assembly and shall report twice a year to the Board.

The Executive Committee may delegate to the Programme Councils the responsibility for building positions, proposing and upon the approval of the Executive Committee, preparing Voluntary Commitments, defining and implementing specific activities and policies in consistency with the Board's strategic objective setting. The Programme Councils shall oversee specific policy areas and present positions and actions to the Executive Committee.

54.2. Further provisions regarding the composition, the role, the functioning and the meeting rules of the Programme Councils may be laid down in compliance with Article 2:59 BCCA in the Internal Rules and the Operating Rules of the Association.

SECTION VI.4. ADVISORY FORA

Art. 55. – Role and responsibilities

55.1. The Executive Committee shall create Advisory Fora to guard certain aspects of the Cefic policy and advocacy, through an advisory role to the Programme Councils and the Executive Committee.

55.2. The Chair of each Advisory Forum (hereinafter the "**Advisory Forum Chair**") shall be a member of the Executive Committee elected by the General Assembly .

55.3. The Advisory Fora have a key role in providing advice to Programme Councils and, if applicable, to the Executive Committee on their work programs and policy positions and may oversee their respective fields. In addition the Legal Forum, has a key role in advising the Executive Committee on compliance-related aspects with respect to the work envisaged to be assigned to Project Groups.

55.4. Further provisions regarding the composition, the role, the functioning and the meeting rules of the Advisory Fora may be laid down in compliance with Article 2:59 BCCA in the Internal Rules and the Operating Rules of the Association.

SECTION VI.5. WORKING STRUCTURES BELOW THE PROGRAMME COUNCILS

Art. 56. – Role and responsibilities

56.1. Working Structures, including but not limited to Issue Teams, Network of Experts, Service Groups may be set up by each Programme Council within and across Programme Councils in order to assist them in carrying out their activities as specified in the Operating Rules.

56.2. Further provisions regarding the composition, the role, the functioning and the meeting rules of the Working Structures below the Programme Councils may be laid down in compliance with Article 2:59 BCCA in the Internal Rules and the Operating Rules of the Association.

SECTION VI.6. PROJECT GROUPS

Art. 57. – General provisions

57.1. Project Groups are created by the Executive Committee upon decision of the Board or the Executive Committee to launch a time-limited project.

The purpose and scope of the project is subject to the approval of the Executive Committee. The purpose of the project needs to be compatible with the Purpose and the governing rules of Cefic.

57.2. Project Groups report to the Executive Committee on the advancement of the project on a regular basis.

57.3. Further provisions regarding the role and the functioning of each Project Group may be laid down in the respective Project Groups Operating Rules, subject to the approval of the Executive Committee.

Art. 58. – Role and responsibilities

58.1. Project Groups support and oversee time-limited projects launched by the Board or Executive Committee, which do not fall in the policy area or field of responsibilities of a single Programme Council or Advisory Forum.

58.2. Project Groups are not entrusted with the responsibility for building Cefic Common Positions, which remains with the Programme Councils. The project deliverables do not qualify as a Cefic view or Cefic Common Position subject to the One Voice Policy set out in Section 16 of the Internal Rules.

58.3. Project Group deliverables may consist into the creation of tools, generation of data or drafting of reports authored by Cefic or third parties.

Art. 59. – Composition

59.1. Project Groups have a steering group, chaired by one (1) Executive Committee member and, if needed, one (1) or more advisory expert groups.

59.2. Participation to Project Groups remains open allowing Members, Partners or guests to participate, on case by case basis, depending on the nature of the project.

SECTION VI.7. LEADERSHIP TEAM

Art. 60. – Role and responsibilities

60.1. The Leadership Team shall manage effectively and efficiently the decision making process, the alignment of the strategies, and coordinate the operational management of the Association's activities as defined in the Internal Rules and the Operating Rules.

Art. 61. – Composition

61.1. The Leadership Team is the operational body of the Association to ensure its proper functioning.

61.2. The Leadership Team shall be composed of the Director General and the Cefic Executive Directors.

SECTION VI.8. NATIONAL ASSOCIATIONS BOARD

Art. 62. - Composition

62.1. The National Associations Board is composed of ten (10) members to be elected by AFEM amongst the AFEM members on the basis of the criteria to be defined in the Operating Rules.

The National Associations Board includes the AFEM Chair who will chair the National Associations Board.

62.2. The Director General can attend the National Associations Board as a permanent guest, without the right to vote.

VII. RECOGNITION OF GROUPS

Art. 63. – Recognition of Groups within Cefic

63.1. The Board shall be entitled to recognise groups within the Cefic such as Sector Groups and any other type of groups as defined by the Board provided these groups pursue an objective compatible with the present Statutes (hereinafter the "**Recognised Groups**"). These groups shall be recognised by the Board upon proposal by the governing bodies of the relevant Cefic Industry Sectors.

63.2. Through their recognition by the Board these Recognised Groups shall operate in the framework of the Association and its general policies and shall comply with the present Statutes, the Internal Rules, the Operating Rules and the governance rules determined by the Association.

63.3. The Recognised Groups will contribute to the costs of the common structure and operations of Cefic.

63.4. The recognition of groups within Cefic does neither mean nor imply that the Association

assumes the liabilities that these Recognised Groups and their members could incur as a result of their actions or abstentions.

- 63.5. The Recognised Groups have no legal personality and are not Members of the Association.
- 63.6. Without prejudice to Articles 63.1. of the present Statutes, the Board is empowered to define the conditions of access of the Recognised Groups within Cefic and their members to the activities of the Association (including related modalities) to which they may be invited to participate.
- 63.7. The Recognised Groups shall be regrouped and placed under the different Cefic Industry Sectors.

VIII. ESTABLISHMENT OR ENROLMENT OF CEFIC INDUSTRY SECTORS

Art. 64. – Establishment or enrolment

- 64.1. The Board shall be entitled to establish or enrol Cefic Industry Sectors. Cefic Industry Sectors shall act for one (1) particular sector of the chemical industry and regroup Recognised Groups within Cefic acting in that particular industry sector.
- 64.2. Cefic Industry Sectors shall operate in the framework of the Association and its general policies, and comply with the present Statutes, the Internal Rules, Operating rules and the governance rules determined by the Association.
- 64.3. Cefic Industry Sectors will contribute to the costs of the common structure and operations.
- 64.4. The establishment or enrolment of Cefic Industry Sectors does neither mean nor imply that the Association assumes the liabilities that these Cefic Industry Sectors and their members could incur as a result of their actions or abstentions.

IX. REPARTITION AND DELEGATION OF POWERS

Art. 65. – Repartition and delegation of powers

- 65.1. The General Assembly shall only have the exclusive powers reserved to it by law and by Article 20.1. of the present Statutes.
- 65.2. All powers that are not expressly reserved by law or the present Statutes to the General Assembly are exercised by the Board.

The Board shall have the exclusive powers listed in Article 25.1. of the present Statutes.

The Board shall delegate its management powers and the residual powers to the Executive Committee, provided that such delegation does not include the determination of the Board's strategic planning objectives nor the powers expressly reserved to the Board or the General Assembly by the BCCA or by the present Statutes.

Without prejudice of the previous paragraph, the Board may delegate special management or

representation powers of the Association with the power of sub-delegation regarding legal actions or legal acts involving the Association to one (1) or more Board members, to the Executive Committee, to the Director General, to the President or to third parties. In this case, the scope of the delegated powers, the way how they are exercised and the term of the mandate have to be specified.

- 65.3. The Executive Committee shall manage the operations and affairs of the Association and exercise the powers delegated to it by the Board including the residual powers in accordance with Article 65 of the present Statutes. These powers shall among others include the powers listed in Article 31.1. of the present Statutes, but shall in any event not include the determination of the Board's strategic planning objectives nor the powers expressly reserved to the Board or the General Assembly by the BCCA or by the present Statutes or the powers delegated to the Director General of the Association.

The Executive Committee may within the scope of its powers delegate special management or representation powers of the Association with the power of sub-delegation regarding legal actions or legal acts involving the Association to one (1) or more Executive Committee members, to the Director General, to the President or to third parties. In this case the scope of the delegated powers, the way how they are exercised and the term of the mandate have to be specified.

Without prejudice to the previous paragraph, the Executive Committee shall delegate the day-to-day management powers of the Association, including authority to sign alone on behalf of the Association and powers of representation relating to such day-to-day management to the Director General of the Association in accordance with article 46.1. of the present Statutes.

The Executive Committee shall also delegate to the Programme Councils the responsibility for building positions, defining and implementing specific activities and policies in consistency with the Board's strategic setting, in accordance with Article 54 of the present Statutes.

- 65.4. The Director-General shall be authorised to sub-delegate, under his/her own responsibility, to one (1) or several staff members of the Association or to any third party, one (1) or more powers delegated to him/her falling within the scope of the day-to-day management (but not the entire day-to-day management) or falling within the scope of the specific management or representation powers going beyond said day-to-day management within the limitations set out in the present Statutes or the relevant delegation of powers.

X. REPRESENTATION

Art. 66. – Representation

- 66.1. Unless otherwise stipulated in the present Statutes and without prejudice to Article 65 of the present Statutes, the Association is validly represented with respect to all legal acts towards third parties, by (i) either the President alone or (ii) one (1) of the Vice-President(s) of the Association alone, who do not have to justify towards third parties, the powers conferred to this end.
- 66.2. The Association is validly represented with respect to all legal acts towards third parties that fall within the scope of day-to-day management by the Director General, acting alone, who does

not have to justify towards third parties, the powers conferred to this end.

The Director General shall also represent the Association to the Services of the European Union, the Institutions and other organisations and nominate Cefic representatives to international organisations, in agreement with the relevant body, group or member.

- 66.3. The President may grant authority to the Director General to sign on behalf of the Association either specific instruments, or categories of instruments as to the powers defined in Article 44 of the present Statutes.

Letters or notes in view of the implementation by the President on behalf of the Board of major decisions affecting the future of Cefic shall be signed by the President and the Director General jointly.

- 66.4. The Association shall be validly represented in law in all legal actions or arbitration, as plaintiff or defendant before courts, tribunals or other jurisdiction by (i) either the President alone or one (1) of the Vice-President(s) of the Association alone or (ii) the Director General alone; they shall inform the Executive Committee in such cases.

XI. FEES, CONTRIBUTIONS, BUDGET, ACCOUNTS

Art. 67. – Fees - Contribution

- 67.1. The Members shall share in the expenses of the Association by means of a Membership fee fixed annually by the General Assembly for each category of Member on proposal submitted by the Board. A Partnership contribution for each category of Partners may be requested to the Partners as defined under Article 8 of the present Statutes to be decided by the General Assembly on proposal submitted by the Board.

- 67.2. The key for the apportionment of the budget shall be as follows:

- a) The Member Federations and Associate Federations shall collectively cover a certain proportion of the budget. Within this quota AFEM shall have the responsibility to agree an apportionment scale for Member Federations' Membership fees. The repartition remains valid until further decision. Associate Federations shall pay a flat fee determined by the General Assembly upon proposal of the Board.
- b) The portion of the budget allocated to the Corporate Members and the Business Members shall collectively represent a fraction of the total budget.

Corporate Members and Business Members shall contribute on the basis of Membership fee as determined by the General Assembly. The basis for the calculation of their annual Membership fee shall be the European chemicals annual turnover and, as for the Corporate Members, the European chemicals annual turnover that results from activities falling under specific NACE codes. Following its yearly update, that turnover shall be communicated to the Cefic administration.

- c) Partners shall pay a Partnership contribution that will reflect their level of engagement.

d) Recognised Groups and Cefic Industry Sectors shall pay a contribution in order to contribute in a fair manner to the costs of Cefic.

67.3. Each Member and Partner of the Association shall be liable for the Membership fee or the Partnership contribution fixed annually by the General Assembly, but shall not incur any individual responsibility as regards the financial or any other commitments entered into in the name of the Association.

Art. 68. – Budget – Accounts

68.1. The financial year shall extend from 1st January to 31st December of each year. The accounts shall be sent to the authorities, in accordance with the BCCA.

68.2. The Board shall submit every year for the approval of the General Assembly the annual accounts of the preceding financial year and the budget of the next financial year.

68.3. The Association is not required to appoint a statutory auditor as long as it does not fall under the scope of the application of Article 3:47, §6 BCCA for the last completed financial year. In that case, the General Assembly may nevertheless entrust the audit of the annual accounts to one (1) or several external auditors.

68.4. The General Assembly must appoint one (1) or several statutory auditor(s) ("*commissaires*") among the members of the Belgian Institute of Company Auditors, as soon as the Association falls under the scope of application of Article 3:47, §6 BCCA for the last completed financial year. Such statutory auditor(s) shall be responsible for the audit of (i) the financial situation, (ii) the annual accounts and the regularity in the light of the law and the statutes and (iii) the operations which must be stated in the annual accounts.

68.5. The assets and the income of the Association may only be used in compliance with the Purpose of the Association. In particular, payments or compensation of any kind to Members of the Association or Board members, Executive Committee members shall be prohibited, except for at arm's length compensations paid for services delivered by Members pursuant to a service agreement concluded between said Member and the Association.

XII. COMPETITION COMPLIANCE

Art. 69 – Competition law

69.1. Referring to Article 3.1 of the present Statutes commanding that all activities of the Association should comply with competition law, any participant to any group, body and structure of the Association shall ensure that discussions must remain strictly limited to what is necessary for the purposes of the activities of the Association and may not in any case involve the exchange of sensitive individual company information.

XIII. HIERARCHY OF NORMS

Art. 70. – Internal Rules – Operating Rules

70.1. Internal Rules on internal proceedings compatible with the provisions of the present Statutes

shall be adopted and amended by the Board upon proposal of the Executive Committee in order to implement and further detail the present Statutes.

70.2. The most recent version of the Internal Rules dates from [...].

70.3. Operating Rules further detail the present Statutes and the Internal Rules to facilitate the effective and operational functioning of the governance and operational bodies of the Association and its management.

Art. 71. – Hierarchy of norms

71.1. The following hierarchy of norms applies within the Association:

- a) Statutes;
- b) Internal Rules;
- c) Operating Rules.

71.2. In the case of any contradiction between two (2) or more norms of the Association of a different level, the norm mentioned in the higher level shall prevail over the norm mentioned in the lower level of the above-mentioned hierarchy of norms.

71.3. In the case of any contradiction between two (2) or more norms of the Association of the same level, the most recently adopted norm shall prevail over any formerly adopted norm.

XIV. AMENDMENTS TO THE STATUTES AND DISSOLUTION

Art. 72. – Amendment

72.1. In the case of a proposed amendment to the Statutes, the text of the latter shall be attached to the notice of the General Assembly which will deliberate on this matter.

72.2. Decisions to amend the present Statutes of the Association must receive a majority of three quarters (3/4) of each voting constituency, as defined under Article 23.4. of the present Statutes.

Art. 73. – Dissolution

73.1. Decisions to dissolve the Association must receive a majority of three quarters (3/4) of each voting constituency, as defined under Article 23.4. of the present Statutes.

73.2. In the event of voluntary dissolution, the General Assembly shall decide in the resolution of dissolution the modalities of liquidations, appoint two (2) or several liquidators, determine their powers and indicate the allocation of the net assets of the Association. The net assets after liquidation may only be allocated to a legally incorporated legal entity that either pursues a similar purpose to the Purpose pursued by the Association, or at least a not-for-profit aim.

XV. GENERAL PROVISIONS

Art. 74 – Governing law

74.1. All matters which are not covered by the Statutes shall be settled in accordance with the provisions of Belgian law in particular the BCCA.

Art. 75 – Definitions

75.1. For the purpose of the present Statutes the following definitions shall apply:

- **"Cefic Chemical Convention"** means the series of events and meetings organised annually in the fall around the second ordinary meeting of the General Assembly, usually preceded by a meeting of the Executive Committee and the Board.
- **"Cefic Common Position"** means the official opinion or position of Cefic reflecting the range of views and positions which exist among Cefic Members it being understood that any objective, action or target set therein are on a reasonable best effort basis.
- **"One Voice Policy"** has the meaning as defined in Articles 16.1. and 16.2. of the Internal Rules.
- **"Voluntary Commitment"** means a formal declaration, signed by a or several specific Cefic Corporate Member(s), Business Member(s), Partner Company(ies), Associate Company(ies) or -as the case may be- third party corporate member(s) of the Member Federations and/or Associate Federations, and/or Partner Associations, that voluntarily wish to agree on future, concrete, legally binding commitments or actions to be undertaken by the signatory legal entities subject to the terms and conditions mentioned therein.

Statutes
7 October 2022