

# **Association**

## **Swiss Sustainable Finance**

### **Articles of Association**

**Changes suggested to Members – 13 June 2017**

## **1. Name and Registered Office**

### Article 1

- <sup>1</sup> Swiss Sustainable Finance (the “Association”) is a non-profit association in accordance with Art. 60 et seqq. of the Swiss Civil Code. The Association has no religious or party-political affiliation.

### Article 2

- <sup>1</sup> The Association’s registered office is in Zurich.

## **2. Objective**

### Article 3

- <sup>1</sup> The Association’s objective is to foster the integration of sustainability principles into the Swiss financial marketplace with its various centres and regions and therewith offering growth opportunities for the Swiss economy and benefitting society at large. To reach this objective, the Association actively informs about sustainable finance in Switzerland. Through research and different work streams the Association offers relevant insights into sustainability in finance and fosters its implementation. It contributes to capacity building in and works towards sound frameworks for sustainable finance. In addition, the Association may perform other activities which serve the principal objectives such as organising events or publishing research material.
- <sup>2</sup> The Association is neutral from both a denominational and political viewpoint and is not intended to be a profit-making organisation.

## **3. Membership**

### Article 4

- <sup>1</sup> The Association has active members only.
- <sup>2</sup> Accession is feasible at any time, subject to the approval of the Board. The accession implies acceptance of the articles of association of the Association (the “AoA”).
- <sup>3</sup> The following organisations can become members:  
Financial service providers, other service providers in the finance business, pension funds, foundations, family offices, other institutional asset owners.  
Other organisations such as business schools and universities, non-profit-organisations (“NPOs”) and public sector entities can become network partners. For network partners see Article 7.  
  
In exceptional cases as defined by the Board, other organisations and natural persons can also become members.
- <sup>4</sup> The Board shall use its own discretion in deciding whether to accept new members.

## Article 5

- <sup>1</sup> Members pay an annual fee depending on size and type of organisation, as outlined in Annex 1.
- <sup>2</sup> Members have full voting rights in the General Assembly, except for natural persons who have no voting right.

## Article 6

- <sup>1</sup> Members may notify the Board of their resignation in writing subject to observing a notice period of six months before the end of the current financial year.
- <sup>2</sup> Membership shall be terminated upon a Board decision based on a 2/3 majority of the Board if a member
  - deceases;
  - enters into bankruptcy or similar proceedings;
  - is in material breach of any of its membership obligations and does not immediately remedy the same upon notice;
  - engages in a competing activity;
  - seriously disturbs or threatens to disturb the proper functioning of the Association;
  - brings the Association into disrepute.
- <sup>3</sup> Members may further be expelled at any time by a resolution of the General Assembly requiring a 2/3 majority of the members present or represented. Such resolution needs not be substantiated.

## Article 7

- <sup>1</sup> Other organisations such as business schools and universities, NPOs and public sector entities can become network partners based on the decision of the Board.
- <sup>2</sup> A regular exchange of information on activities, joint projects (i.e. research projects) and – where useful – an alignment of these activities are the main aims of a network partnership.
- <sup>3</sup> Network partners pay an annual fee depending on size and type of organisation, as outlined in Annex 1. They are not part of the General Assembly and have no voting right, but can be invited as guests based on the decision of the Board.
- <sup>4</sup> The Board shall – at its own discretion – decide about the most adequate organisation (such as regular meetings with some or all of the network partners) and communication (such as regular reports) in terms of the network partners.

## 4. Executive Bodies and their Powers

### Article 8

The Association's executive bodies are as follows:

- A. General Assembly
- B. Board
- C. Management
- D. Auditors

### A. General Assembly

#### Article 9

- 1 The ordinary General Assembly of all members takes place within six months after the close of the previous financial year. The date shall be determined by the Board.
- 2 Every member has the right to participate in the General Assembly.
- 3 A motion to be put before the General Assembly shall be filed with the Board no later than two weeks before the General Assembly.
- 4 The Board may convene extraordinary General Assemblies at any time. On receiving a written and substantiated request for a meeting from at least one fifth of the active members, the Board must convene an extraordinary General Assembly within two months of receipt of the request.
- 5 Members must receive an invitation by letter or e-mail to attend the General Assembly, accompanied by an agenda of items to be deliberated, the motions relating to such agenda items, and, in the case of the ordinary General Assembly, the annual report, the annual financial statement and the Auditors' report, at least ten days before the meeting.
- 6 With the unanimous consent of all members, a General Assembly can be convened without observing the ordinary notice period.
- 7 The General Assembly is chaired by the President of the Association or, in his or her absence, another Board member appointed to this task (the "Chairperson").

#### Article 10

- 1 The General Assembly shall have the following powers:
  - a) to amend the AoA and also, in specific terms, to amend the annual fee of members and network partners,
  - b) to elect the Board and its President for a two-year term each,
  - c) to approve the annual report,
  - d) to approve the annual financial statement,

- e) to discharge the Board and Management,
- f) to take resolutions regarding the matters submitted to the General Assembly by the Board, and regarding transactions reserved by law for the General Assembly,
- h) to dismiss a Board member,
- i) to decide about the winding up of the Association.

#### Article 11

- <sup>1</sup> All members may play a consultative role at the General Assembly. All members except for natural persons have the right to vote; each member has one vote. Representation by written power of attorney by another member is admissible.
- <sup>2</sup> The General Assembly may pass resolutions irrespective of the number of members present providing that it has been convened in the correct manner.
- <sup>3</sup> The General Assembly passes resolutions and conducts its elections with an absolute majority of votes cast without reference to the number of people present who are entitled to vote. If the votes are tied, the Chairperson has the casting vote. The approval of 2/3 of the votes present and represented is required in order to amend provisions of the AoA and to dismiss Board members.
- <sup>4</sup> Votes and elections are held openly. Each member may, however, request a secret ballot. The gathered members of the Association shall decide on such a request in an open vote.
- <sup>5</sup> If all members approve a proposal in writing, this is equivalent to a resolution passed by the General Assembly.
- <sup>6</sup> Minutes shall be kept of all General Assemblies.

### **B. Board**

#### Article 12

- <sup>1</sup>
  - a) The Board consists of a minimum of three natural persons and a maximum of 15 natural persons. Annex 2 gives guidance on the structure of the Board and the representation of different member categories. The Board defines the profiles of the Board seats that stand for election and informs all members accordingly.
  - b) The Board members are elected by the General Assembly for two years. They can be reelected for a maximum amount of three terms.
  - c) Board members must represent an entity being a member of the association except for the President who is elected independently. In case a Board member leaves the position at the member company he or she steps down from the Board with immediate effect. A replacement will be elected at the following AGM.
  - d) No more than 50% of all Board seats should be replaced at once. In case more than 50% of Board members are due for renewal, the Board should aim for a common agreement that a minimum of 50% of all Board members stay on for another term, in order to guarantee stability. <sup>2</sup> The Board constitutes itself.
- <sup>3</sup> The Board's activities are performed on an honorary basis and are generally performed without remuneration. Board members are not entitled to claim reimbursement of expenses.
- <sup>4</sup> The President of the organisation receives an annual compensation as outlined in Annex 3.

### Article 13

- 1 The Board has all powers which are not expressly assigned by the AoA or by law to another executive body within the organisation.
- 2 The Board nominates those persons who shall be legally binding signatories on behalf of the Association and determines the nature and form of the signature.
- 3 The Board assigns the management team (CEO and any other members of the management team if any), determines the rights and duties of this team and monitors its operations and performance. The members of the management team do not need to be a member of the Association.
- 4 The Board can define work groups for different work streams. Any individuals, if representing a member or not, can become part of work groups if considered useful by the Board.

### Article 14

- 1 The President shall convene Board meetings as often as business requires and at the request of one single member of the Board. The President shall decide about the places and location of the meeting. Such meetings are convened in writing, or by e-mail, specifying the agenda, such that the invitation reaches the Board members at least one week prior to the date of the board meeting. With the unanimous consent of all Board members, the meeting can be convened without observing the ordinary notice period.
- 2 A majority of Board members must be present before the Board can pass resolutions, although telephone and video conferences are also admissible, providing that the participants can be clearly and unmistakably identified. The Board members may be represented by another Board member in their absence. The meeting shall be chaired by the President, or another Board member in his/her absence (the “Chairman”). The Board members must elect a keeper of the minutes for each meeting. The keeper of the minutes does not need to be a Board member.
- 3 A Board member participating in a Board meeting by telephone- or video-conference shall be considered to be present at the meeting for the purposes of voting and participating generally. The Chairman may invite third parties to participate in Board meetings. The third parties shall have no voting rights.
- 4 Votes and elections are decided on the basis of the majority of votes cast. Each Board member has one vote. The President has the casting vote if votes are tied. Resolutions may be passed by circular - provided that no members request oral consultation - namely in writing, or by e-mail. If resolutions are passed by circular, the resolution is passed with an absolute majority of all votes and must be included in the minutes of the next Board meeting.
- 5 Minutes of the Board’s discussions and resolutions should be recorded and these must be signed by the Chairman and by the keeper of the minutes of the respective meeting.

## **C. Management**

### Article 15

- <sup>1</sup> The management team shall perform the Association's business in accordance with the AoA and the requirements of the Board or rules set down by the Board.
- <sup>2</sup> The management team assigns further staff members of the Association.
- <sup>3</sup> Additional details concerning the management of the Association are detailed in the rules of procedure.

## **D. Auditors**

### Article 16

- <sup>1</sup> The Association shall have its annual accounts and balance sheet examined by external Auditors.
- <sup>2</sup> The Members' Assembly elects the Auditors which need to be members of the EXPERTsuisse or Treuhand Suisse. The Auditors can be re-elected each year for a maximum of 7 years.

### Article 17

- <sup>1</sup> The Auditors shall examine the Association's accounting procedures in an objective and formal manner.
- <sup>2</sup> The Auditors will report to the General Assembly as to whether the Association's annual accounts and balance sheet agree with the books and whether the Association's bookkeeping satisfies the requirements for commercial bookkeeping in accordance with Art. 957 et seqq. OR (Swiss Code of Obligations). The Auditors will call upon the General Assembly to accept or reject the accounts.

## **5. Finance**

### Article 18

- <sup>1</sup> The Association has the following specific income for the purpose of achieving its objectives:
  - a) membership fees,
  - c) donations,
  - d) income from events and other activities organised by the Association
  - e) sponsorships
- <sup>2</sup> The Association's accounting year ends on 31 December of each year, for the first time on December 31, 2014 if not otherwise decided by the Board.
- <sup>3</sup> Economic principles should be observed in conducting the Association's business.

#### Article 19

- <sup>1</sup> Members of the Association have no claim on the Association's assets either when resigning from the Association or on the Association being wound up.
- <sup>2</sup> The assets may only be used for the purposes specified in Article 3 and therefore should be kept as liquid assets.
- <sup>3</sup> In the event of the Association being wound up, the Board shall decide how to use any surplus funds in line with achieving the objectives described in Article 3.

#### Article 20

- <sup>1</sup> The Association's assets alone shall be liable for the Association's liabilities.
- <sup>2</sup> Personal liability of the members is excluded.

#### Article 21

- <sup>1</sup> These AoA were approved by the General Assembly in Bern on 13 June 2017.

Bern, 13 June 2017

Jean-Daniel Gerber, President



## Annex 1: Fees for members and network partners

<b>Members</b>	<b>Annual Fees (in CHF)*</b>
<b>Businesses</b> (Banks, insurance companies, service providers) by no. of employees in Switzerland	
< 50	3'000
51 – 250	5'000
251 – 1'000	10'000
1'001 – 5'000	25'000
> 5'000	50'000
<b>Asset Owners</b> (Pension funds, foundations, family offices) by AUM in million CHF	
< 1'000	500
1'000-5'000	1'000
5'000 -10'000	3'000
> 10'000	5'000
<b>Network Partners</b>	<b>Annual Fees (in CHF)</b>
<b>NPOs</b> by no. of employees	
< 10	1'500
11-50	5'000
> 50	10'000
<b>Universities and Business Schools</b> by no. of employees of relevant sub-unit	
< 10	1'000
> 10	2'000
<b>Public sector entities</b>	
Cities, Cantons and Federal Authorities	**

\*A reduction on these membership fees can be offered in case an organisation is a member of or otherwise linked to another organisation strategically relevant for the Association.

\*\* The fees for public sector entities are agreed on a case by case basis between the network partners and the SSF Board.

## Annex 2: Board composition

The Board structure shall adequately reflect the members base and be of a balanced structure. The following table gives guidance on the representation of different members on the Board:

<b>Type of member</b>	<b>No of Board members</b>
Global banks	1-2
Swiss Universal Banks and Private Banks	1-3
General Asset Managers and Private Equity Managers	1-2
Specialised Asset Managers	1-2
Insurance Companies	1-3
Service Providers	1-3
Pension Funds	1-2
Foundations and Family Offices	0-1
Sustainable Finance Geneva	1
President (ad personam)	1
<b>Total</b>	<b>9-15</b>

## Annex 3: Compensation of President

The President receives an annual compensation of CHF 20'000.