

EACB AISBL Articles of Association

CHAPTER I. LEGAL FORM - NAME - REGISTERED OFFICE - PURPOSE - DURATION

1. Legal form - Name

An international non-profit association called the “European Association of Co-operative Banks”, abbreviated to “E.A.C.B.”, is hereby created.

This association is governed by the provisions of the Belgian Companies and Associations Code, resulting from the Law of 23 March 2019 and the Royal Decree of 29 April 2019.

It is referred to in these Articles of Association by the term “**Association**”.

2. Registered office

The registered office is established in the Brussels-Capital Region.

The registered office may be transferred to any other location in Belgium by decision of the Board of Directors.

Where, due to the registered office being moved to a different location, the language of the Articles of Association must be changed, only the General Assembly shall have the power to take such a decision subject to compliance with the rules laid down for amendment of the Articles of Association.

Any such transfer of the registered office shall be registered and published, in accordance with the law.

3. Purpose and activities

The Association shall have the following international non-profit objective:

The Association shall represent, promote and defend the common interests of its members and the cooperative banks that they represent and, in this context, act as a spokesperson of its members with regard to European Union institutions and bodies.

To this end, the Association intends to carry out the following activities to achieve its purpose, which constitute its purpose:

- a) promoting and developing the cooperative concept within the banking sector at an international level and, more broadly, alongside other representative cooperative organisations;
- b) informing members, including by organising meetings, conferences and seminars, about all European Union initiatives and measures that affect the banking sector;
- c) organising an exchange of views and experiences and coordinating the positions of member organisations as part of an analysis of common issues;
- d) engaging in active lobbying of European bodies; and
- e) developing positions on issues of common interest.

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It shall also ensure the strengthening of cooperation between European cooperative banking groups.

The Association may carry out any legal act directly or indirectly related to its purpose or likely to facilitate the achievement thereof.

This list is solely illustrative and in no way exhaustive.

4. Duration

The Association is established for an indefinite duration.

CHAPTER II. MEMBERSHIP

5. Members

The Association shall be comprised of full members (regular members) and associate members (associates) as defined below:

a) Full members

National associations and central bodies, comprised of cooperative banks or to which cooperatives belong, having their registered offices in one of the Member States of the European Union, may join the Association as full members.

b) Associate members

National associations and central bodies, comprised of (i) cooperative banks or whose members include cooperative banks, having their registered offices outside the European Union in a third country represented in the Basel Committee, the G20 or the Financial Stability Board, or (ii) any other association or body supporting cooperative or mutual banking principles, provided that its associate membership is considered conducive to the goals of the Association, may join as associate members, under certain conditions as specified in the internal rules.

All members (either full or associate) shall share the purpose of the Association as specified in Article 3.

6. Admission of new members

To join the Association as a full member or associate member, the applicant must:

- a) send, for the attention of the President, to the Chief Executive Officer, a written application for membership in accordance with the conditions set down in the internal rules.
- b) agree to the Association's Articles of Association and all provisions resulting therefrom.

The General Assembly shall decide on admission without having to justify its decision. It may hear the applicant beforehand.

Before making a decision on the admission of a new member, the General Assembly shall examine, where necessary, any substantive reservations that any member(s) from the same

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country has/have expressed regarding the admission. Such member(s) may request a second deliberation in the event of a decision contrary to their point of view.

Decisions of the General Assembly relating to the admission of a new member shall be notified to the organisations concerned within ten days.

Membership shall take effect from payment of the membership fee as defined in the internal rules.

7. Suspension of members

The rights (including, in particular, the right to participate in the General Assembly) of members whose membership fee has not been paid, at the latest, by the end of the first quarter following the adoption of the budget by the General Assembly, may be suspended. Members who have not paid their membership fee after two formal notices from the Board of Directors may be presumed to have resigned. The Board of Directors shall notify members that are in default, in writing, of their presumed resignation. Such resignation shall take effect in accordance with Article 8 (a).

8. Loss of membership status

Membership status shall be lost:

- a) by resignation: this must be notified to the General Assembly by registered letter sent to the Chief Executive Officer for the attention of the President. Resignation shall take effect at the end of the calendar year where the notification has been given before the end of the first half of the year. Where notification is given later, it shall take effect at the end of the following year. The outgoing member shall remain bound by all financial obligations until such time as its resignation takes effect.
- b) by expulsion: this is decided by the General Assembly. The representatives of the member whose expulsion is requested must be invited to submit their observations by registered letter with acknowledgement of receipt sent to the Chief Executive Officer for the attention of the President, within a minimum period of two weeks and a maximum of one month. The President shall bring these observations to the attention of the General Assembly, at least fifteen days before the meeting of the latter. The representatives of the member whose expulsion is requested must be heard if they so request. Any decision to expel shall be justified. Membership status shall be lost immediately as from the motivated decision. The annual membership fee for the current year shall remain due and shall definitively vest in the Association once paid.
- c) by merger: this must be notified to the General Assembly by registered letter sent to the Chief Executive Officer for the attention of the President. A member that has merged with another cooperative institution that is a member of the Association shall lose its membership status at the time of the merger. Where the merger occurs before the end of the first half of the year, the member shall remain bound by all its financial obligations until the end of the current year. Where the merger occurs during the second half of the year, the member shall remain bound by all its financial obligations until the end of the following year.

In the event of expulsion, under the conditions provided for in point b) above, the representative(s) of the member concerned shall not take part in the vote.

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An outgoing or expelled member shall not have any rights over the Association's tangible assets and intellectual property.

9. Rights and obligations of members

Full members shall have, in particular, the following rights:

- actively participate in activities organised by the Association to realise its purpose;
- by actively contributing to the preparation of the Association's lobbying activities, be involved in meetings with the European institutions;
- make suggestions to the members of the Board of Directors in order to improve the achievement of the purposes pursued by the Association; and
- be informed of the resolutions adopted by the General Assembly and the Board of Directors.

Associate members shall have, in particular, the following rights:

- participate in activities organised by the Association to realise its purpose; and
- be informed of the resolutions adopted by the General Assembly and the Board of Directors.

Members shall have, in particular, the following obligations:

- contribute financially by paying their membership fees; and
- contribute to the development of the Association as far as possible by participating in the activities of the working groups.

CHAPTER III. STATUTORY BODIES

10. Governing bodies

The Association's statutory bodies are:

- The General Assembly;
- The Board of Directors;
- The President; and
- The Chief Executive Officer.

11. The General Assembly

The General Assembly shall be the general decision-making body of the Association. It shall determine the policy and activities of the Association, including the Association's lobbying activities, and shall have all powers necessary to carry out the purpose and activities of the Association, as referred to in Article 3.

The General Assembly:

- a) shall appoint and remove the directors, including the President and the two Vice-Presidents;
- b) shall appoint and remove the Auditors or, where applicable, the Statutory Auditors, in accordance with Article 26;
- c) shall hear the report of the Auditors or Statutory Auditors and approve the annual accounts;
- d) shall grant discharge to the directors and, where necessary, the Statutory Auditors;

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- e) shall decide on the admission and expulsion of members;
- f) shall approve the Association's annual budget and determine the annual membership fees;
- g) shall hear the Chief Executive Officer's annual report;
- h) shall express any opinions or positions proposed by the Board of Directors;
- i) shall decide on any necessary measures as and when needed;
- j) shall adopt and amend the Articles of Association;
- k) shall decide, where appropriate, on the transfer of the registered office of the Association;
- l) shall decide on the dissolution and liquidation of the Association; and
- m) shall decide in all other cases where required by law or the Articles of Association.

The General Assembly may entrust specific responsibilities to the President, Board of Directors, working groups, committees and to any other person.

12. Composition of the General Assembly

The General Assembly shall be composed of delegates, appointed by the member organisations to represent them.

- a) Full member

Each full member shall be entitled to appoint at least one delegate.

It may also appoint additional delegates in the following cases:

- an additional delegate for each of the member organisations with a delegate on the Board of Directors or appointed as representative with an advisory vote.
- an additional delegate where the membership fee paid by the full member is between ten and fifteen percent of total membership fees;
- two additional delegates where the membership fee paid by the full member exceeds fifteen percent of total membership fees.

The number of voting rights of a full member shall be equal to the number of delegates appointed by the full member based on the "one person, one vote" principle.

- b) Associate member

Each associate member shall have the right to appoint a delegate.

13. Voting rights and right of representation of members at the General Assembly

For General Assembly decisions, only full members, represented by their delegate(s), shall have voting rights, with the exception of the following matters for which associate members, represented by their respective delegate, shall also have voting rights:

- a) appointment and removal of directors, including the President and the two Vice-Presidents;
- b) appointment and removal of the Auditors or, where applicable, the Statutory Auditors, in accordance with Article 26;
- c) review of the report of the Auditors or Statutory Auditors and approval of the annual accounts;
- d) granting discharge to the Statutory Auditors;

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- e) approval of the Association's annual budget and determination of annual membership fees; and
- f) review of the Chief Executive Officer's annual report.

Each delegate shall have one vote.

For matters not referred to in paragraph 1 of this Article, associate members, represented by their respective delegate, shall have an advisory role.

A delegate, representing a full member or an associate member, may grant a proxy to another delegate from his/her organisation or to a delegate from another organisation to represent him/her at a meeting of the General Assembly.

A delegate may hold a proxy in the form of a letter or e-mail. Each delegate may hold several proxies. When a delegate is invested with a proxy, such person shall vote first for his/her own organisation and then for his/her principal(s).

14. Deliberation - Decisions of the General Assembly

The General Assembly shall validly deliberate when two-thirds of its full members are present or represented. A full member shall be considered to be present or represented when at least one of its delegates or at least one person appointed by one of its delegates attends or is validly represented at the meeting.

The members shall attempt to reach a consensus on all matters on which the General Assembly decides. However, where a consensus cannot be reached, decisions of the General Assembly shall be taken as soon as one of the following majorities is reached:

- either by a majority of two-thirds of the votes of delegates present or represented representing a third of the members present or represented,
- or by a majority of two-thirds of the members present or represented representing a third of the votes of the delegates present or represented.

However, without prejudice to the provisions of the Belgian Companies and Associations Code, the dissolution of the Association and amendments to the Articles of Association shall be decided by a majority of three quarters of the votes of delegates representing half of the members.

Where the General Assembly does not bring together two-thirds of the full members of the Association present or represented, a new meeting shall be convened which shall validly and definitively decide on the proposal(s), by the same majority, regardless of the number of members present or represented, at the earliest, within fifteen days of the first meeting.

Abstentions shall not be taken into account for the purpose of calculating votes.

In exceptional cases, any member may also vote remotely before the General Assembly, by e-mail or by any other electronic means of communication put in place by the Board of Directors or via the Association's website, using a form created by the Board of Directors and made available by the Association, containing at least the following information: (i) the name or company name of the member and its place of residence or registered office, (ii) the agenda of the meeting, including proposed resolutions, (iii) the deadline by which remote voting forms

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must reach the Association, (iv) the member's handwritten signature or electronic signature within the meaning of Article 3.10 of Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC or a qualified electronic signature within the meaning of Article 3.12 of the same Regulation (or any future regulation replacing it).

Forms in which neither a voting preference nor an abstention are indicated shall be null and void.

The remote voting form sent to the Association for a meeting of the General Assembly shall be valid for successive meetings with the same agenda.

A member who has cast its remote vote, whether by postal voting or in electronic form, may no longer choose another method of participation in the General Assembly.

In exceptional cases, members may also participate remotely in the General Assembly using an electronic means of communication made available by the Association. Members who participate in the General Assembly in this way shall be deemed to be present at the place where the General Assembly is being held for the purposes of compliance with quorum and majority requirements.

The Association must be able to verify, using the electronic means of communication used, the capacity and identity of each member concerned.

Additional conditions associated with the use of the electronic means of communication may be set down by the Board of Directors, with the sole objective of guaranteeing the security of the electronic means of communication.

For the purposes of the above paragraph, without prejudice to any restriction imposed by or pursuant to law, the electronic means of communication must, at a minimum, permit members to directly, simultaneously and continuously follow discussions in the General Assembly and exercise their voting rights on all matters on which the General Assembly is called upon to vote.

The notice of meeting for the General Assembly must contain a clear and precise description of the procedures for remotely participating in the General Assembly. Where applicable, these procedures shall be made available to everyone on the Association's website.

The minutes of the General Assembly shall mention any technical problems and incidents that prevented or disrupted electronic participation in the General Assembly and/or voting.

15. General Assembly notices of meeting

The General Assembly shall meet at least twice a year at the location indicated in the notice of meeting.

Members of the General Assembly shall be given notice of meetings by letter, fax, e-mail or any other means of communication, by the President or, in the absence of the President, by a Vice-President.

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The General Assembly shall also meet at the request of at least ten full members of three different nationalities for a specific agenda.

The General Assembly may only validly deliberate on the items included on the agenda that are communicated to the members of the General Assembly at least ten days in advance.

Where the agenda involves amending the Articles of Association or the dissolution of the Association, it must be communicated to the members of the General Assembly at least two months in advance, indicating the proposed amendments or the reasons for dissolution.

Where these notice periods are not respected, the General Assembly may still deliberate provided that the full members present or represented agree.

16. Minutes of meetings of the General Assembly

The resolutions of the General Assembly shall be recorded in minutes that shall be signed by the President and the Chief Executive Officer. The proxies shall be attached to the minutes of the meeting for which they were given. These minutes shall be placed in a special register, maintained by the Chief Executive Officer, who shall make it available to members at the registered office of the Association.

17. President and Vice-Presidents

The General Assembly shall elect from among its full members, for a term of two years, a President and two Vice-Presidents which shall each be of different nationalities but also:

- a) from a country and from a full member organisation which are significantly and persistently involved in the Association activities; and
- b) from a full member organisation which has a predominant weight in the Association funding.

The President and the Vice-Presidents shall be eligible for re-appointment. They shall not be remunerated for the performance of their duties, unless decided otherwise by the General Assembly.

The President shall chair the General Assembly and the Board of Directors.

Where the President is absent or unavailable, meetings of the General Assembly and the Board of Directors shall be chaired by one of the Vice-Presidents or by a chairperson elected for the specific meeting concerned.

18. Board of Directors

The Board of Directors shall have all necessary powers of management and administration, subject to the powers of the General Assembly, as defined in Article 11.

It shall take all necessary decisions in the period between two meetings of the General Assembly. It shall report on its activity to the General Assembly.

Each year, it shall, in particular, prepare the annual accounts for the past financial year and the budget for the following financial year.

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It shall also be responsible for enacting the internal rules, in accordance with Article 30.

The Board of Directors shall be responsible for overseeing the performance by the Chief Executive Officer of his/her duties.

The Board of Directors may, where necessary, involve other persons in its work, including through the establishment of working groups and technical committees.

In such cases, it shall be responsible for:

- a) determining the composition of such groups and committees;
- b) appointing the chairpersons of such groups and committees;
- c) defining, in a power of attorney, their duties and obligations and, where necessary, their duration;
- d) mediating any differences of opinion within the working groups to find consensus in such circumstances on important issues;
- e) approving, where necessary, the adoption of any positions;
- f) signing off on work plans and priorities, which shall be presented to the General Assembly for approval. In this context, the chairpersons of the working groups could be invited to present the proposed priorities for the working groups to the Board of Directors and/or the General Assembly.

19. Liability of directors and Chief Executive Officer

Pursuant to the Belgian Companies and Associations Code, any person who has or had the power to effectively manage the Association shall be jointly and severally liable to the Association for any decisions and omissions of the Board of Directors and/or the Chief Executive Officer to the extent set out in this Code. The same shall apply with regard to third parties provided that the fault committed is extra-contractual.

However, the directors and Chief Executive Officer shall only be liable for decisions, acts or behaviour that clearly exceed the scope in which generally prudent and careful directors or managing directors placed in similar circumstances may reasonably have a divergent opinion.

20. Composition of the Board of Directors

The Association shall be administered by a Board of Directors composed of a minimum of three directors, pursuant to the fourth paragraph of this Article, and a maximum of five directors and can be extended by additional seats of representatives with an advisory vote from among the Association's full members.

Directors and representatives with an advisory vote shall be appointed by the General Assembly, for a term of two years, from among the delegates of the full members who have made a significant contribution to the Association based on qualitative (involvement and engagement in working groups, participation in General Assembly meetings, etc.), quantitative (size, contribution, market share) and geographical criteria. They shall be eligible for re-appointment.

Legal entities appointed as directors must appoint a natural person as their permanent representative to exercise this mandate on their behalf.

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In order to ensure the effectiveness and proper functioning of the Board of Directors, it must be composed of a reasonable number of directors.

The President and Vice-Presidents of the General Assembly shall be *ex officio* members of the Board of Directors.

The Chief Executive Officer shall attend meetings of the Board of Directors but shall have no voting rights.

The duties of directors shall cease upon death, resignation, legal incapacity or provisional administration, removal and expiration of mandate.

Directors may be removed by the General Assembly in accordance with the procedures referred to in Article 14.

In the event of a vacancy in any directorship, for any reason whatsoever, the remaining directors may fill the vacancy *pro tempore*. The director appointed in this way shall continue and end the term of office of the person he/she is replacing. The General Assembly shall proceed with the definitive election at its first meeting.

As long as the General Assembly or the Board of Directors has not filled vacant positions, for any reason whatsoever, directors whose term of office has expired shall remain in office where this is necessary to ensure that the Board of Directors is composed of the minimum number of members.

All documents relating to the appointment, removal and termination of the duties of directors shall be registered and published, in accordance with the law.

21. Meetings and convening of the Board of Directors

The Board of Directors shall meet as often as required by the Association's interests, in Belgium or in any other country, when convened by the President, with power to substitute, and at least three times a year.

The Board of Directors may, on an exceptional basis, meet by conference call or videoconference, provided that all participants in the meeting can communicate directly with the others. Directors who participate in such a manner in a meeting of the Board of Directors shall be considered to be present. The meeting shall, in this case, be considered to have been held at the Association's registered office provided that at least one director has taken part in the meeting from such registered office.

The notice of meeting shall be sent by letter, fax, e-mail or any other means of communication.

22. Decision-making by the Board of Directors

The Board of Directors may only validly deliberate where at least two thirds of its members are presented or represented.

A director may be represented by another director, who may not, however, hold more than one proxy.

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The Board of Directors shall attempt to reach a consensus on all matters on which it decides. Resolutions shall only be adopted by a majority of the directors present or represented where a consensus cannot be reached, with it being understood that no resolution may be adopted by fewer than two directors.

Each director shall have one vote based on the “one person, one vote” principle.

Decisions of the Board of Directors may also be taken by unanimous consent of the directors, expressed in writing.

Pursuant to Article 20, the Chief Executive Officer shall attend meetings of the Board of Directors but shall have no voting rights.

23. Register of resolutions of the Board of Directors

Resolutions shall be recorded in a register signed by the President and maintained by the Chief Executive Officer, who shall make it available to members of the Association at the registered office of the Association.

24. Representation of the Association with regard to third parties and before the courts

The President shall represent the Association before the courts and in all civil matters. In the event of absence or inability to act, the President shall be represented by a Vice-President.

The Chief Executive Officer shall represent the Association within the limits of his/her duties.

Documents relating to the appointment, removal and termination of duties of persons authorised to represent the Association shall be registered and published, in accordance with the law.

25. The Chief Executive Officer

The Board of Directors shall appoint the Chief Executive Officer and may terminate his/her mandate at any time, after obtaining the agreement of the General Assembly. The Board of Directors shall determine the powers and any remuneration of the Chief Executive Officer.

The Chief Executive Officer shall be responsible for the day-to-day management of the Association's affairs and for representing the Association in respect of such management.

Day-to-day management shall include all acts and decisions within the scope of the daily working requirements of the Association as well as any acts and decisions that, due to their low importance or their degree of urgency, do not justify the involvement of the Board of Directors. Where the Chief Executive Officer acts without the prior decision of the Board of Directors due to urgency, he/she shall immediately inform the President.

The Chief Executive Officer shall coordinate the work of the Association's working groups and technical committees with the General Secretariat. He/she shall immediately report to the Board of Directors on his/her activity and that of the General Secretariat, in particular in respect of meetings with European bodies.

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The Chief Executive Officer shall be required to be impartial in all circumstances.

The Board of Directors may delegate special powers to the Chief Executive Officer that go beyond the scope of day-to-day management.

26. The Statutory Auditors

Insofar as this is required by the Belgian Companies and Associations Code, auditing of the financial situation, annual accounts and compliance of transactions to be recorded in the annual accounts with regard to the law and the Articles of Association shall be entrusted to one or more Statutory Auditors.

The Statutory Auditors shall be appointed by the General Assembly from among the auditors registered in the public register of auditors or from the registered audit firms. The Auditors shall be appointed for a renewable term of two years. The General Assembly shall determine, at the time of their appointment, the remuneration of Statutory Auditors for the full period of their mandate. This remuneration may only be modified with the consent of the General Assembly and the Statutory Auditor. Under penalty of damages, a Statutory Auditor may only be removed during his/her term of office by the General Assembly for just cause.

The General Assembly may also elect from among its full members, for a term of two years, two Auditors who shall verify the accuracy and compliance of the accounts as well as the closing of the accounts and/or may decide to appoint a Statutory Auditor, in the event that this is not required by law.

The two Auditors shall be of different nationalities. They shall be eligible for re-appointment.

CHAPTER IV. FINANCIAL PROVISIONS

27. Financial resources

The Association's resources shall be composed of the annual membership fees and any other resources. The internal rules shall determine the amount and scale of membership fees.

28. Annual accounts

The financial year shall begin on 1 January and end on 31 December of the same calendar year.

Each year, the Board of Directors shall submit the annual accounts for the past financial year to the General Assembly for approval at the first annual meeting.

The accounts shall be filed with the National Bank of Belgium in accordance with the provisions of the Belgian Companies and Associations Code.

The Board of Directors shall submit the budget for the following year to the General Assembly for approval before the end of the current year.

CHAPTER V. FINAL PROVISIONS

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29. Dissolution and liquidation

Without prejudice to the provisions of these Articles of Association and the Belgian Companies and Associations Code, the General Assembly shall determine the method of dissolution and liquidation of the Association.

Any net assets, after liquidation, shall be allocated to a private non-profit legal entity with a similar non-profit purpose or, failing this, used for another charitable purpose to be determined at the time of the Association's liquidation.

30. Internal rules

The internal rules, the latest version of which was approved on 1 January 2017, shall be adopted and amended by the Board of Directors, as provided for in Article 18. However, any proposed substantive amendment shall be submitted in advance to the General Assembly for its opinion and comments.

31. Amendments to the Articles of Association

Without prejudice to the provisions of the Belgian Companies and Associations Code, an amendment to these Articles of Association may be submitted to the General Assembly at the initiative of at least one fifth of the full members or the Board of Directors.

32. General provisions

Anything that is not provided for by these Articles of Association or the internal rules and, in particular, the publications to be made in the Annexes to the Belgian Official Gazette, shall be regulated in accordance with the provisions of the Belgian Companies and Associations Code, resulting from the Law of 23 March 2019 and the Royal Decree of 29 April 2019.