

## **Articles of Association**

### **International Forum on Sustainable Value Chains (ISVC)**

#### **I. Name, Domicile, Object**

##### **Art. 1 Name, Domicile**

Under the name *International Forum on Sustainable Value Chains [ISVC]* there exists a non-profit association under the provisions of Art. 60 et seq. of the Swiss Civil Code with its domicile in Horgen (ZH).

##### **Art. 2 Object**

Object of the association is (a) promoting scientific research in the subject area of sustainable value chains, (b) exchanging with interest groups from academia, society, economy, politics and public administration in the realm of this research, and (c) communicating scientific findings of research in this subject area. The objective is to actively influence the development of economic systems towards global ecologic, social and economic responsibility.

Research promoted by the association shall manifest both scientific rigor and practical relevance. Communication promoted by the association shall address scientific findings of research in this subject area and collaborate not only with scientific media and trade press but also with mass media and the arts. To meet the importance of internationality in the subject area, the association promotes both Swiss-centered and international approaches.

The promoted activities shall (i) identify, analyze, and evaluate the challenges to society, the natural environment and economy caused by the existing segmented value creation in multi-tiered value chains, and (ii) develop and evaluate approaches to handle those challenges. They shall happen in exchange with various interest groups.

The association promotes research or communication propositions through scholarships for the respective involved individual if this is legally possible for the promoted person. This applies equally to research or communication propositions involving multiple individuals. Organizations are only supported financially in exceptional well-justified cases.

The association can organize and hold conferences and events, release publications, and collect money for its object.

The association is charitable. It pursues no commercial objectives and aims for no profit. Its bodies act voluntarily.

#### **II. General**

##### **Art. 3 Neutrality**

The association is neutral politically and confessionally.

#### **Art. 4 Commercial register**

The council can apply to register the association in the Commercial Register.

#### **Art. 5 Membership at other organizations**

The association can become member of other organizations if this supports the association's object.

#### **Art. 6 Admission of other organizations and establishing of subsidiaries**

The association can extend its activities by admitting other organizations with similar object as well as by establishing subsidiaries in Switzerland or abroad.

### **III. Membership**

#### **Art. 7 Membership**

Any individual or legal person can become a member of the association. The council defines the details.

#### **Art. 8 Admission**

Members are admitted based on a written application for membership addressed to the president that declares accession. Admission is the responsibility of the council. Decisions of the council about admissions are final. They will be communicated in writing without giving reasons. There is no claim for admission of membership.

#### **Art. 9 Withdrawal**

Members of the association can withdraw their membership as per the end of each calendar year, at 30 days' notice. The written withdrawal has to be addressed to the president and sent by registered mail or email with request for receipt.

#### **Art. 10 Exclusion**

The council can exclude a member of the association because of important reasons, if this member violates the articles or interests of the association.

The excluded member has the right to recourse at the next regular general assembly. The recourse must be justified and be sent to the president by registered mail or email with request for receipt for the general assembly within 30 days after receipt of the exclusion decision.

Members failing to pay their membership fee for 1 year despite reminder can be excluded by the council. In that case the member has no right to recourse.

#### **Art. 11 Expiration of membership**

Membership expires:

- for individual persons by withdrawal, exclusion, or death
- for legal persons by withdrawal, exclusion, or liquidation

#### **Art. 12 Founding members**

Individual persons that have founded the association are awarded the character of founding member of life. They have all rights and duties of members. They are exempted from paying membership fees.

A founding member can be excluded exclusively because of important reasons, if it violates the articles of the association deliberately and verifiably, by the general assembly with  $\frac{3}{4}$ -majority of the represented votes. Art. 11 shall apply.

#### **Art. 13 Honorary members**

Honorary members are individual or legal persons who participated in exceptional ways in the development and promotion of the association or who contributed in exceptional significant ways to the object of the association. Honorary membership entitles to participate at the general meeting and exempts from paying membership fees. The council appoints the honorary members. Art. 11 shall apply.

#### **Art. 14 Entitlement to association funds**

The members are not entitled to any or all of the association's assets.

### **IV. Means**

#### **Art. 15 Accounting**

The association accounts its finances. The annual financial statement will be checked according to Art. 34 by the elected statutory auditor. The general meeting approves the annual financial statement. The accounting year is the calendar year.

## **Art. 16 Revenues**

The revenues of the association consist of:

- membership fees,
- income generated by the assets of the association,
- contributions and subsidies from public funds,
- income generated by conferences and events,
- extraordinary income (collections of money etc.),
- sponsoring, and
- donations, gifts, inheritance, bequests etc.

## **Art. 17 Membership fee**

The amount of the membership fee is proposed by the council and fixed by the general assembly. Members withdrawing or being excluded from their membership are liable to pay the membership fees for the entire calendar year.

## **Art. 18 Donations**

The council can establish dedicated funds for donations. Each fund is individually accounted. The assets of each fund are part of the association's assets.

## **Art. 17 Liability**

The liability of the association shall be limited to the association's assets.

Any personal liability of its members shall be excluded.

## **V. Organization**

### **Art. 18 Bodies of the association**

The bodies of the association are:

- General assembly
- Council
- Auditors, according to Art. 34

### **General Assembly**

#### **Art. 19 Calling**

The ordinary general assembly is called annually by the council.

The council or 1/5 of the association's members can request the calling of an extraordinary general assembly, which has to take place within 3 months of the request.

The general assembly shall be convened at least 20 days prior to the meeting, in writing and stating the agenda. Invitations per email are valid.

Each member of the association has the right for proposals to the next general assembly. These proposals have to be included in the agenda if the council received those 30 days prior to the respective general assembly.

#### **Art. 20 Chair**

The general assembly shall be chaired by the president; if the president is absent, by the vice-president or another member of the council

The chairman designates the scrutineer(s) and a secretary who shall hold at least proper minutes of the decisions and elections.

#### **Art. 21 Representation**

Each member of the association can be represented by another member with written power of disposal.

#### **Art. 22 Agenda**

The general assembly can only decide upon matters announced in the agenda.

In case all members are present at the general assembly, decisions can also be made upon matters that were not announced in the agenda.

#### **Art. 23 Voting rights**

Each member, founding member or honorary member has one vote.

#### **Art. 24 Resolution**

Each general assembly that is called in an orderly manner is quorate, independent of the number of members present.

The general assembly shall pass its resolutions and carry-out its elections with an absolute majority of the member votes represented.

In case of parity of votes, the president has the second ballot.

Elections and resolutions shall take place openly. However, upon request of 2/5 of the members, the general may decide on secret ballot on particular items.

## **Art. 25 Powers**

The general assembly has the following non transferable powers:

- the approval of the minutes of the last general assembly,
- the approval of the annual report of the council, the annual financial statement and the budget as well as the release of the council,
- the election and recall of the members of the council,
- the election and recall of the auditors,
- the fixing of the membership fees,
- the notice of the planned activities,
- the resolutions of recourses,
- the fixing of the amount the council can dispose of,
- the exclusion of founding members (with  $\frac{3}{4}$ -majority of the represented votes),
- the modification of the articles of association (with  $\frac{3}{4}$ -majority of the represented votes),
- the dissolution of the association and the liquidation of the association's assets (with  $\frac{3}{4}$ -majority of the represented votes),
- resolution of matters that are defined by law or the articles of association.

## **Council**

### **Art. 26 Constitution**

The council consists of minimum three and maximum five members, including the founding members.

The council constitutes itself and appoints the president and the vice-president.

The council works on a voluntary basis. The council is entitled to compensation for actual expenses.

### **Art. 27 Term of Office**

The council members shall be elected for a term of two years and may be re-elected.

### **Art. 28 Calling**

The council meets upon the invitation of the president, as often as required, at least twice per year.

Each council member has the right to request a council meeting.

Meeting shall be convened at least 20 days prior to the meeting in writing and inform as much as possible about the items of the agenda. In case that all member of the council are present, a council meeting can happen at any time.

Proper minutes of the decisions, resolutions and elections shall be held.

### **Art. 29 Resolution**

The council is quorate if at least 50% of its members are present.

The council shall pass its resolutions with an absolute majority of the members present or represented.

Council members can be represented by another council member with written power of disposal.

In case of parity of votes, the president has no second ballot.

As long as no council member request a physical discussion urgent resolutions may be passed in writing (circular letters, telefax, email) or by telephone conference. Proper minutes of the resolutions and decisions shall be held.

### **Art. 30 Agenda**

Only in case when all council members are present or all (present or represented) council members agree, decisions can be made on items that are not part of the meeting's official agenda.

### **Art. 31 Powers**

The council shall attend to all matters which are not reserved for the other organs of the association, in particular:

- Management of the association,
- Execution and supervision of the execution of the general assembly's resolutions,
- Representation of the association to third parties,
- Preparation of the general assembly,
- Admission of members,
- Exclusion of members, considering the right to recourse,
- Planning and execution of activities of the association,
- Development of regulation and issue of by-laws,
- Award of scholarships based on reviews

To achieve the association's objectives the council can employ or order from individuals for appropriate payment.

### **Art. 32 Representation of the association**

The association shall be obligated by the signatory power jointly at two by the president or the vice-president jointly with another member of the council.

### **Auditors**

#### **Art. 33 Election and responsibility**

The general assembly elects a statutory auditor or a legal person who shall control bookkeeping and conduct a visual check at least once per year.

The statutory auditor shall be elected for a term of two (2) years and may be re-elected.

The auditor shall examine the annual accounts and report to the general assembly.

#### **Art. 34 Opting-out**

As long as no duty to audit exists, a revision is foregone.

## **VI. General Provisions**

### **Art. 35 Dissolution, Change of Object, Fusion**

A resolution about the dissolution of the association, a substantial change of the association's object or a merger can only be made at an extraordinary general assembly, that has been called just for this purpose, upon proposal of the council, and with  $\frac{3}{4}$ -majority of the represented votes.

This extraordinary general assembly is called by the council in writing at least 60 days prior to the day of the general assembly.

### **Art. 36 Dissolution and liquidation**

The dissolution and liquidation of the association shall be carried out by the council. The council shall create a report and final account for the general assembly.

In the case of the association being dissolved, the assets should be allotted to a non-profit organization pursuing goals of public interest similar to those of the organization and benefiting from tax exemption. The goods cannot be returned to the founders or members, nor be used to their own profit.



### **Art. 37 Final provision**

In addition, Swiss law shall be applicable, in particular the Swiss Civil Code (ZGB).

### **Art. 38 Commencement**

The present Articles of Association have been approved by the Constituent General Assembly of 01.02.2013 and have come into effect on the same day.

Solely the German version of the Statutes of Association shall be legally binding. The English translation shall have no legal effect and may not be used for the construction of the German wording.

Horgen, 01 February 2013

The President:

The Vice-President:

Prof. Dr. Joerg S. Hofstetter

Prof. Dr. Julia Wolf