

The Constitution of the Australasian Centre for Corporate Responsibility Inc.

DEFINITIONS

The **ACCR** is the Australasian Centre for Corporate Responsibility Inc.

ACCR Research fund means the gift fund established under clause 9.5 and all money and property which becomes a part that fund by virtue of the operation of this Constitution and includes a part of the fund.

The **Act** is the *Associations Incorporation Act 1991* of the ACT. The ACCR is incorporated under this Act, and is subject to both the Act and its associated Regulations.

Appointments are made, unless the context requires otherwise, by a motion passed, without necessarily involving an election, at an appropriate ACCR meeting, and **appoint** shall have a corresponding meaning.

The **Constitution** is this document.

Financial year means each period of 12 months commencing on 1 July and ending on 30 June including the period commencing on the date of execution of this agreement and ending on the 30 June 2013 and the period commencing on the last 1 July before the date of termination of this agreement and ending on that date of termination.

The **ICCR** is the New York State, USA registered Not-for-profit corporation known as the Interfaith Center on Corporate Responsibility.

The **Office Bearers**, as described in Section 10, are the committee of the association as defined in the Act. The Office Bearers have legal responsibility for the management of the ACCR.

An **Organisational representative** is a natural person duly appointed by an organisational member to represent that member at a general meeting of the ACCR.

The **Public Officer** is the contact person with the Office of the ACT Registrar-General (or its successor).

Research Committee means a committee of no fewer than five persons each appointed in accord with clause 9.5 by the office bearers' meeting.

Special Resolution has the meaning given in the Act.

Value committed investors are organisations which (in regard a substantial portion of their investment portfolio by established practice or as a consequence of legal obligation) pursue ethical as well as risk and return objectives. Without limitation it may include: church and religious organisations, not-for-profit organisations such as environmental groups, for-profit

fund managers and financial advisers managing monies subject to explicit legal imperatives to pursue ethical objectives and government or quasi-government bodies managing funds subject to an explicit values oriented charter.

CHAPTER ONE: PURPOSE AND OBJECTIVES

1. Name and Constitution

- 1.1 The name of the association is “The Australasian Centre for Corporate Responsibility Inc.”, referred to in this Constitution as the ACCR.
- 1.2 This Constitution identifies the principles and rules governing the conduct of the affairs of the ACCR and defines the powers and roles of its constituent bodies and its Office Bearers.
- 1.3 All other ACCR documents are subordinate to this Constitution.

2. The Purpose of the ACCR

The purpose of the ACCR is to promote ethical investment and assist ethical investors so that humanity may live more justly and within the carrying capacity of supporting ecosystems. It will do this through education, research, collaboration, engagement and advocacy.

3. Objects

In order that humanity may live more justly and within the carrying capacity of supporting ecosystems the ACCR will seek to identify then curtail or eliminate corporate activity which - damages the environment; involves production of goods and services which cause or perpetuate poverty, ill health, misunderstanding or distress; involves production processes which compromise worker or community health or well-being; and/or fails to respect human rights, democratic obligations or processes. Likewise, the ACCR will seek to identify then promote corporate activity which contributes positively to an inclusive and just society and humanity's ability to live within the carrying capacity of supporting ecosystems.

As a consequence to pursue its purpose, the objectives of the ACCR are to:

- a. conduct, support and encourage research regarding the impact of investment processes and corporate activity on criteria relating to justice and ecosystem impact. Such research may focus on particular issues, companies, industries, sectors or on public policy;
- b. develop educational materials and support educational activities which improve the extend of knowledge within the community of the impact of investment processes and corporate activity on criteria relating to justice and ecosystem impact;
- c. create and maintain educational materials and legal arrangements so as to be able to assist, nurture improved collaboration between, and act on behalf of, ethical investors;
- d. provide a channel which stimulates collaboration by members with other institutions and coalitions in pursuit of these objectives. Such

- institutions might include public, private or community owned financial institutions, universities, pension funds, philanthropic bodies etc;
- e. develop investment and policy strategies by which members and other ethical investors may act together with the goal of improving corporate performance in regard criteria relating to justice and ecosystem impact
 - f. engage with Australasian companies and advocate actions intended to improve performance on criteria relating to justice and ecosystem impact. Such engagement may be of a public or private nature as best suits the furtherance of these objectives;
 - g. promote changes in Australian, New Zealand and neighbouring islands law and practice to enable members and other stakeholders to more readily, constructively and publicly engage with the boards of companies in which they invest;

In addition the ACCR may undertake any other activities or pursue other objectives consistent with its purpose.

4. Powers

4.1 The ACCR may do all things permitted by law and by this Constitution which may be necessary or desirable to achieve its purpose and pursue its objectives.

CHAPTER TWO: MEMBERSHIP

5. Membership

5.1 Individuals (natural persons) shall be welcomed as members of the ACCR provided they meet the following conditions:

- they agree to support the objectives of the ACCR, the office bearers are satisfied of that, and they agree to abide by this Constitution;
- they pay the applicable annual membership fee;
- their application is not objectionable to the office bearers of the ACCR;
- they agree to give reasonable consideration to any request by another member that they would use the voting power of shares they hold in their own portfolio (if any) to assist that other member pursue that other member's ethical objectives provided the request is compatible with their own ethical objectives;

5.2 Organisations (legal entities which are not natural persons) shall be welcomed as members of the ACCR provided they meet the following conditions:

- they operate as valued committed investors, they agree to support the objectives of the ACCR, the office bearers are satisfied of that, and they agree to abide by this Constitution;
- they pay the applicable annual membership fee;
- their application is not objectionable to, and is accepted by, the office bearers of the ACCR;
- they agree to give reasonable consideration to any request by another member (including an associate member) that they would use the voting power of shares they hold in their own portfolio (if any) to assist that other member pursue that other member's ethical objectives provided the request is compatible with their own ethical objectives;
- they agree to give reasonable consideration to any request by another member that they would assist that other member publicise and garner support for specific engagement or advocacy actions provided the request is compatible with their own ethical objectives;

6. Membership Entitlements

6.1 Members joining pursuant to clause 5 have the right:

- in the case of individual members to nominate to become an Office Bearer and in the case of organisational members to nominate persons (who must also themselves be an individual member) to become an Office Bearer;
- in the case of individual members to attend and speak at any meeting of the ACCR and in the case of organisational members to nominate an Organisational Representative to attend and speak at any meeting of the ACCR. Individual members attending a meeting will have voting rights and may appoint a proxy unless the meeting is held on a date less than 3 months after the date they were accepted as a member. The Organisational Representative of an organisational member will have voting rights at a meeting unless the meeting is held on a date less than 3 months after the date the organisation was accepted as a member;
- to be provided in electronic form any newsletter of the ACCR and electronic member bulletins wherever possible; to communicate with the entire membership of the ACCR through its newsletter, within reasonable space, cost and time limitations as determined by the Office Bearers' meeting;
- to inspect the books and records of the ACCR provided they agree to accept any obligations contained in the bylaws and any confidentiality obligations the Office Bearer's may require;

6.2 Unless authorised pursuant to this Constitution, no member may make public statements in the name of the ACCR.

7. Associate Membership

7.1 Individuals and organisations who are not entitled to , or who do not wish to , join as members pursuant to clause 5 above may apply to join the ACCR as associate members. Associates do not have the same rights and privileges set out in clause 6.

7.2 Individuals and organisations shall be welcomed as associates of the ACCR provided they meet the following conditions:

- they agree to support the objectives of the ACCR and to abide by this Constitution;
- they pay the applicable annual associate fee;
- their application is not objectionable to, and is accepted by, the office bearers of the ACCR;
- they agree to give reasonable consideration to any request by a member that they would use the voting power of shares they hold in their own portfolio (if any) to assist that other member pursue that other member's ethical objectives provided the request is compatible with their own objectives;
- they agree to give reasonable consideration to any request by a member that they would assist that other member publicise and garner support for specific engagement or advocacy actions provided the request is compatible with their own objectives;

7.3 Associates are entitled:

- to be provided in electronic form any newsletter of the ACCR and electronic member bulletins wherever possible; to communicate with the entire membership of the ACCR through its newsletter, within reasonable space, cost and time limitations as determined by the Office Bearers' meeting;
- to request other members use the voting power of shares they hold in their portfolio to assist them pursue their own ethical objectives;
- to request members assist them by publicising and garnering support for specific engagement or advocacy actions they undertake.

8. Membership - Fees, Resignation, Acceptance and Expulsion

8.1 Each member and associate shall pay an annual membership fee to the ACCR.

8.2 The rate of this fee for various classes of members and associates shall be determined by the Office Bearers' Meeting.

8.3 Fees fall due every 12 months to be calculated from the date of acceptance of the application. However, the office bearers may make arrangements for more frequent instalment payment or payment of multiple years in advance.

8.4 In the event that the membership fee of any member is not paid by the due date, the member remains financial for one month after which membership shall lapse.

8.5 Membership fees are not refundable unless the application is rejected.

8.6 A member may resign by notifying the Secretary in writing;

8.7 The ACCR may refuse to accept an application from any individual or organisation to become a member or associate without giving any reason. The ACCR may expel any member or associate if their conduct is considered by resolution at a General Meeting to be contrary to the ACCR's objectives or to bring the ACCR into disrepute. An expulsion may be proposed by any member by notice in writing to the Secretary. Notice of a proposed expulsion resolution must then be communicated to the affected member in writing by the Secretary, setting out the full particulars and advising the member an expulsion resolution will be put to the next General Meeting. The Secretary shall inform the member in writing of the date, time and venue for the General Meeting at least 21 days in advance of the meeting. The General Meeting at which the expulsion is considered shall afford the person concerned a reasonable opportunity to be heard and shall consider any written representations on the matter.

CHAPTER THREE: STRUCTURE

9. Composition of the ACCR

The ACCR shall operate within the following forums:

- General Meeting;
- Annual General Meeting;
- Office Bearers' Meeting;
- Working Groups;

9.1 General Meeting

A General Meeting:

- shall be held upon the written request of 20 or more members;
- may also be called by any one Office Bearer;
- shall only be held after members who will have voting rights at the meeting members have been given at least 30 days postal or electronic notice;
- requires 5 members present to form a quorum. The meeting shall not be cancelled for lack of a quorum until at least 20 minutes have elapsed since the advertised starting time.

A General Meeting is empowered to:

- make decisions regarding the strategies and activities of the ACCR within the bounds of this Constitution and any by-laws in force;
- create temporary positions that are not already defined in this Constitution and appoint a position holder;

- review any decision made by Office Bearers and request (giving specific reasons for the request) that a decision be reconsidered by Office Bearers;

9.2. Annual General Meeting

An Annual General Meeting shall be held not more than five months after the close of the financial year. At least 30 days notice of the meeting shall be given.. The notice shall include details of the business to be discussed at the meeting and any decisions that need to be made at the meeting.

In addition to the powers of a General Meeting, the Annual General Meeting(AGM) is empowered to:

- receive the annual report of the Office Bearers;
- receive the audited financial statements for the previous year;
- elect Office Bearers;
- approve a maximum amount of remuneration which may be paid to Office Bearer's for acting in that capacity in the period until the next AGM.

If a quorum is not present at the Annual General Meeting as called, the meeting shall be adjourned by as near as practicable to one calendar month, with the exact date, time and venue determined by the Office Bearers and notified to members at least 14 days prior to the resumed meeting.

9.3 Office Bearers' Meetings

Office Bearers' Meetings:

- are responsible for organising and coordinating the day-to-day activities and administration of the ACCR, adopting and monitoring the overall budget for the current financial year, determining the schedule of membership fees, implementing decisions taken by General Meetings and undertaking the tasks necessary to implement this Constitution;
- shall be held at least once every three months;
- shall not be held unless at least seven days notice has been given;
- require a quorum of 2 Office Bearers;
- may establish working groups in accordance with Section 9.4;
- may establish offices for particular purposes and appoint, replace or remove such office holders including delegates to organisations with which the ACCR collaborates;
- may approve public statements by the ACCR, the selection process for employees of the ACCR and establish the terms and conditions of this employment;
- may approve persons who are authorised to sign cheques and confirm electronic transfers on behalf of the ACCR.

9.4 Working Groups

An Office Bearers' Meeting or a General Meeting may establish working groups for specific purposes and in so doing shall determine their membership, terms of reference and duration. Such a group may also be delegated specific decision-making powers and shall not make any decisions outside of this delegation that bind the ACCR. Once a working group is established, it may elect its own convenor.

10 . Office Bearers

10.1 The Office Bearers of the ACCR shall be Convenor and Secretary plus a maximum of 5 additional office bearers. The Convenor(s) and Secretary will be appointed by the Office Bearer's Meeting from the elected Office Bearer's. A maximum of 2 Office Bearer's may be jointly appointed as Convenors. A Convenor or Secretary who has served five consecutive full terms in the same office shall not be appointed for a further consecutive term in that position.

10.2 At each AGM after the first the whole number nearest one third of the current number of Office Bearer's must retire. An Office Bearer must retire at the third AGM after the AGM at which they were elected or re-elected. The Office Bearer's to retire at an AGM are those who have been in office longest since they were last elected, re-elected or appointed. As between those who became Office Bearer's on the same day those to retire must (unless otherwise agreed among themselves) be determined by ballot. Retiring Office Bearer's may seek re-election. Replacement Office Bearers shall be elected by secret ballot. Any person nominated for election to be an Office Bearer must be a current voting member and have consented in writing to stand. To be valid a nomination must be signed by at least either 5 current voting members or 2 current Office Bearer's and be provided to the Secretary at least 40 days prior to the date of the AGM. A "current voting member" is a member who would have the right to vote at a General Meeting if it were held on the date 40 days prior to the date of the AGM.

10.3 An Office Bearer or any person elected or appointed to an office may be removed from their office or position by a General Meeting. Office Bearers who file for bankruptcy, are convicted of a criminal offence, are declared to be of unsound mind or who fail to attend two consecutive Office Bearers Meetings without the consent of the Convenor will be deemed to have vacated their office. If an Office Bearer or position-holder resigns from their office or position or the office or position becomes vacant for any other reason, an Office Bearers' Meeting or a General Meeting may make an interim appointment until the next Annual General Meeting.

10.4 Office Bearers are obliged to ensure records are kept of all written material relevant to their office and transfer all records to incoming Office Bearers when a change of office occurs.

10.5 The Office Bearers' Meeting is empowered with the right to do all things not required by the Act or this Constitution to be exercised by a General Meeting or Annual General Meeting. When assessing the merits of any proposed or potential action each Office Bearer shall endeavour to ensure such action reflects the principles of justice and the need for humanity to live within the carrying capacity of supporting ecosystems.

11. Convenor and Secretary

The duties of the Convenor(s) comprise:

- overall leadership of the activities of the ACCR;
- ensuring that the decisions of meetings are acted upon;
- presenting a report to the Annual General Meeting.

The duties of the Secretary comprise:

- preparing notices of all meetings for distribution in good time to members and/or Office Bearers;
- coordinating correspondence and tabling it as necessary;
- keeping a register of by-laws made under this Constitution;
- ensuring that items of business that need to be addressed by a meeting are placed on the agenda; and
- performing the duties of the Public Officer;
- making arrangements for custody of the common seal, the books, documents and securities of the ACCR.

CHAPTER FOUR: OTHER MATTERS

12. Finance

In regard its finances:

- The financial year of the ACCR is the year ending on 30 June;
- The funds of the ACCR shall be gathered from membership fees, donations, sponsorship and provision of services. The ACCR shall not pursue any form of sponsorship or income generation, or accept any donations or gifts with or without conditions, which are or might be in conflict with the ACCR's purpose or objectives;
- The income, funds and assets of the ACCR shall be applied solely towards achieving the objectives of the ACCR, no direct or indirect distribution shall be made to members other than by way of bona fide compensation for services rendered or expenses incurred on behalf of the ACCR;
- two duly authorised officers or their delegates will be required to approve any cheque or electronic payment.

13. Members' Liability

The liability of a member to contribute towards the payment of the debts and liabilities of the ACCR or the costs, charges, and expenses of dissolving the ACCR is limited to the amount, if any, unpaid by the member in respect of membership of the ACCR.

14. The Common Seal

The common seal of the ACCR shall be kept in the custody of the Secretary. The fixing of the common seal to any instrument shall be attested by the signatures of two Office Bearers.

15. Auditor

Before the end of the financial year, an Office Bearers' Meeting shall appoint an Auditor to audit the financial records of the ACCR for the financial year. The Auditor shall not be an Office Bearer of the ACCR and shall be a qualified accountant.

16. Indemnity

Members acting on behalf of the ACCR with the authority of a General Meeting or an Office Bearers meeting who accept or incur any personal pecuniary liability shall be held indemnified against that personal liability in respect of such action.

17. Constitutional Interpretation and Amendment

17.1 A General Meeting shall interpret the Constitution should a dispute arise over the meaning of any provision. An Office Bearers Meeting may make interpretations on an interim basis until the next General Meeting which shall decide whether to ratify the interpretation. A General Meeting has the power to make or amend by-laws that clarify arrangements contained in this Constitution. The Secretary shall keep a register of by-laws.

17.2 Amendments to this Constitution may be considered by any General Meeting. In accordance with the Act they are effective only after they have been passed as a Special Resolution with at least three-quarters of the members present at the meeting voting in favour of the resolution.

18. Dissolution

The ACCR shall not be dissolved except by a resolution passed at a General Meeting by Special Resolution. The dissolution of the ACCR shall then be effective within 2 months. In the event that the ACCR dissolves, the assets of the ACCR shall be disposed of by an Office Bearers' Meeting, first, to discharge any debts or liabilities and, second, to distribute any surplus to the ICCR or to other organisations which share the principles or objectives of the ACCR.

19. Decision making procedures at meetings

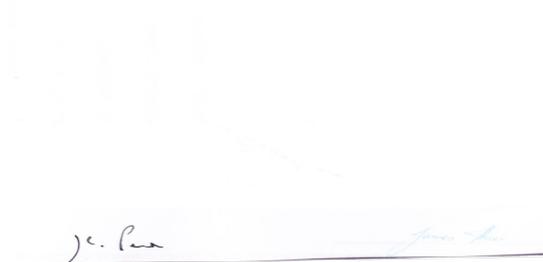
19.1 Decisions at all meetings shall be made by cooperative decision-making processes including as a first option consensus and as a second option voting. Consensus is achieved

when all present at a meeting with voting rights agree with the proposed resolution or where no more than two of those with voting rights opposed to the resolution decide to block it.

19.2 At a meeting of members if consensus is not achieved decisions (other than those in regard the election of office bearers) will be taken by the passing of a resolution on a show of hands supported by a majority vote. Election of office bearers will be conducted by secret ballot as set out in clause 10.2. A change to this Constitution requires the passing of a special resolution. The Convenor, if present, will chair a meeting of members.

19.3 At a meeting of office bearers if consensus is not achieved decisions will be taken by the passing of a resolution on a show of hands supported by a majority vote.

19.4 Meetings of office bearers may be facilitated by any office bearer present. Office bearers present at the meeting must first appoint a facilitator for the meeting. No office bearer may facilitate more than two meetings in a row.

A handwritten signature in blue ink, appearing to read 'J.C. P...', is written above a solid horizontal line. The signature is positioned on the left side of the line, with some faint, illegible markings to its right.