

Statutes
Czech Association of the Circular Economy

(Česká asociace oběhového hospodářství, z.s.)

Preamble

Česká asociace oběhového hospodářství, z.s. (the “Association”) is a voluntary, apolitical and self-governing group of individuals and legal entities sharing a common interest in saving primary resources, reducing costs for businesses and, lastly, reducing adverse effects on the environment and human health and maintaining the value added of products for the future. In its steadfast pursuit of these visions, the Association strives to promote improvements in the material recovery of waste while continuously reducing the amount of waste from which material or energy is not recovered and which ends up unexploited in landfills.

Article I

Association name

- 1.1 The Association’s name is Česká asociace oběhového hospodářství, z.s.
- 1.2 The Association is entitled to use the abbreviated name “ČAOBH” and the English name Czech Circular Economy Association. The official name under paragraph 1.1 will be entered in the Associations Register.
- 1.3 The Association operates in the Czech Republic, but wishes to cooperate with organisations engaging in similar activity abroad.

Article II

Registered office

- 2.1 The Association’s registered office is in Prague.

Article III

Nature of the Association’s activity

- 3.1 The Association is a voluntary, independent, self-governing and apolitical special-interest organisation that groups together individuals and legal entities, including academic institutions, active in the reuse of secondary raw materials, the recovery of materials contained in waste, and/or waste management.

- 3.2 The Association aims to raise general awareness of circular economy principles and the effective use of secondary raw materials, the recovery of reusable materials contained in waste, and the options available for the recovery or disposal of waste itself.
- 3.3 The Association is committed to the development of ethical business in the field of waste management, plays a role in shaping government economic and social policy, and promotes the legitimate interests of its members in order to create a stable, ethical and successfully developing business environment and market conditions for materials, secondary raw materials, and waste in line with modern European and global trends.
- 3.4 Within the scope of its principal activities, the Association in particular:
- (a) organises educational events, such as conferences and workshops;
 - (b) provides expert advice on matters related to the circular economy and the efficient recovery, for material and/or energy purposes, of materials from waste, secondary raw materials, or waste itself, and advice related to landfilling;
 - (c) promotes circular economy principles and concepts;
 - (d) engages in activities to promote the circular economy;
 - (e) provides expert assistance and support to individual entities in the application of the circular economy and the efficient recovery of materials from waste, secondary raw materials, or waste itself;
 - (f) cooperates with other entities who perform activities of a similar nature.
- 3.5 To support its principal activities, the Association may engage in secondary economic activities comprising business or other gainful activities.

Article IV

Duration of the Association

- 4.1 The Association is formed for an indefinite duration.

Article V

Founding members

- 5.1 The Association's founding members are:

5.1.1 Centrum environmentálních prohlášení, registration number: 227 45 629, registered office: Šárecká 1962/5, Dejvice, 160 00 Praha 6, incorporated in the Associations Register maintained by the Municipal Court in Prague, Section L, File 24217;

5.1.2 SUEZ Využití zdrojů a.s., registration number: 256 38 955, registered office: Španělská 1073/10, Vinohrady, 120 00 Praha 2, incorporated by entry in the Companies Register maintained by the Municipal Court in Prague, Section B, File 9378;

5.1.3 Veolia Vedlejší produkty ČR, s.r.o., registration number: 247 15 964, registered office: Dělnická 6082/34, Poruba, 708 00 Ostrava, incorporated by entry in the Companies Register maintained by the Regional Court in Ostrava, Section C, File 63276.

Article VI

Acquisition and termination of membership

6.1 Membership of Česká asociace oběhového hospodářství may take the form of full, honorary or cluster membership.

6.2 Full membership is available to all individuals or legal entities established or doing business in the Czech Republic and active in the reuse of secondary raw materials, the recovery of materials contained in waste, and waste management. A fully independent individual who has full legal capacity and is over the age of 18 may become an honorary member of the Association. A cluster member does not have the right to vote for or be elected to ČAOBH bodies.

6.3 Acquisition of membership:

6.3.1 The executive committee decides on the admission of a member further to a duly completed and delivered application at the earliest meeting following receipt thereof. If it decides to admit a member, that member is entered in the list of members.

6.3.2 By submitting an application, a membership candidate consents to the processing of data in conformity with the law.

6.3.3 A decision to admit a full member requires a three-fifths majority of the votes of all executive committee members, including a majority of the votes of all of the Association's founding members referred to in Article V hereof who are executive committee members at the time of the vote. If none of the Association's founding members under Article V hereof is an executive committee member, the consent of a three-fifths majority of members of the Association's executive committee is sufficient.

6.3.4 New members are obliged to pay the membership fee for the calendar year in which they are admitted, or the pro rata equivalent based on the number of months remaining until the end of the calendar year, within 30 days of notification of their admission by the executive committee. Any membership fee paid is non-refundable upon termination of membership.

6.3.5 An individual who has made a significant contribution to the furtherance of the Association's activities or the circular economy may become an honorary member of the association further to a recommendation by a full member of the Association, subject to unanimous approval by all members of the Association's executive committee.

6.3.6 An honorary member is not required to pay membership fees. An honorary member is not entitled to vote for or be elected to Association bodies.

6.3.7 The Association maintains a list of members, including persons authorised to represent them. The list of members is publicly accessible on the Association's

website, with the exception of information on persons authorised to represent the individual members and information on honorary members of the Association.

6.3.8 The members' meeting sets membership fees and the due date thereof for the calendar year no later than 30 November of the previous year. If no decision on the amount of the membership fee is taken by that deadline, the membership fee and the due date thereof for the next calendar year remain the same as in the previous calendar year, unless subsequently decided otherwise by the members' meeting.

6.4 Termination of membership:

6.4.1 Association membership is terminated:

- (a) by service of a member's written notice of withdrawal from the Association on the Association's executive committee; written notice of withdrawal from the Association served during the year does not release a member from the obligation to pay membership fees for the period remaining until the end of the current calendar year; termination of membership in such a case takes effect on 31 December of the year in which the written notice of withdrawal from the Association is served on the Association's executive committee;
- (b) by a decision of the executive committee to expel an Association member; the executive committee may decide to expel a member: (i) if the member is more than 30 days late in paying the membership fee; (ii) if the member damages the Association's reputation; or (iii) if the member does not comply with obligations arising from Association membership as laid down by these Statutes, the Association's internal regulations, or the law. The executive committee is obliged to inform the Association member in writing of the grounds for expulsion;
- (c) upon the winding-up of a legal entity that is an Association member, unless it is wound up with a successor in title (for example, in a merger); if the successor in title is already an Association member, that successor does not then have double membership;
- (d) upon the death of an Association member (membership does not pass to heirs);
- (e) upon the dissolution of the Association.

6.5 The executive committee decides to expel a member by a three-fifths majority of the votes of all its members.

6.6 Within 15 days of the date of service of a decision on the expulsion of an Association member, that member is entitled to request the executive committee in writing to review the decision. The time limit is deemed to have been met if the request is sent by post on or before the last day of that time limit.

Article VII
Member rights and obligations

7.1 A full member of the Association is entitled:

- (a) to participate in the Association's activities and to be kept informed, to a reasonable extent, of the Association's activities;
- (b) to attend members' meetings, and to vote for and be elected to Association bodies;
- (c) to submit proposals, suggestions and comments about the Association's activities;
- (d) to contribute to the setting of the goals and forms of activities pursued by the Association;
- (e) to participate in the Association events and to use the services provided by the Association to its members;
- (f) to engage in the activities of expert commissions, sections, clusters or other groups created within the Association;
- (g) to exercise other rights laid down in the Association's internal regulations.

7.1.2 Association membership does not prevent members from becoming members of other associations with the same or similar activities, unless such activities are manifestly incompatible with the Association's mission and goals.

7.1.3 Full Association members are obliged:

- (a) to abide by these Statutes and other internal regulations of the Association;
- (b) to comply with resolutions adopted by the members' meeting and the executive committee of the Association;
- (c) to cooperate with the Association's representatives, especially in the implementation of members' meeting resolutions and the plan of activities for the current year;
- (d) to act in such a way as to protect the Association's reputation;
- (e) to notify the executive committee of any changes related to their Association membership, in particular their contact details;
- (f) to pay membership fees in a due and timely manner.

Article VIII
Organisational structure and bodies of the Association

8.1 The Association's bodies are:

the members' meeting;

the executive committee;

the executive director;

the scientific council;

clusters.

8.2 Members' meeting

- 8.2.1 The members' meeting is the Association's supreme body and meets at least once a year.
- 8.2.2 The members' meeting is convened by the Association's executive committee by invitation sent to the addresses entered in the list of members at least 14 days before the date set for the members' meeting. An invitation sent electronically to an email address entered in the list of members is also deemed to be a valid invitation a meeting.
- 8.2.3. One third of all full Association members or a founding Association member may make a proposal to the executive committee to convene a members' meeting in order to discuss and decide on a particular matter within the competence of the members' meeting. Decisions on the convening of a members' meeting are taken by the Association's executive committee; Section 248(2) of the Civil Code does not apply.
- 8.2.4. The members' meeting is quorate if at least half of all full Association members are present. If the members' meeting is not quorate, the executive committee convenes a substitute members' meeting by issuing new invitations. A substitute meeting must take place no later than one month after the previous meeting. A substitute members' meeting is quorate irrespective of the number of full members present.
- 8.2.5 The members' meeting adopts decisions subject to the approval of an absolute majority of the full members present. At least a two-thirds majority of the votes of all full Association members present is required to adopt a decision on an amendment to the Association's Statutes, on the merger of the Association, or on the liquidation thereof. A committee member may be represented at the members' meeting by proxy.
- 8.2.6 The members' meeting is entitled to decide on the following matters:
- (a) approval of the Association's Statutes and amendments thereto;
 - (b) the election and removal of elected members of the Association's executive committee;
 - (c) the setting of membership fees for the current year and the due date thereof further to a proposal from the Association's executive committee;
 - (d) approval of the Association's budget for the upcoming (usually annual) period;
 - (e) approval of the Association's membership of international organisations;
 - (f) a merger with another association, the dissolution of the Association, and the method for the distribution of the liquidation surplus;
 - (g) approval of the activity report of the Association's executive committee;
 - (h) other matters laid down by these Statutes.
- 8.2.7 Decisions by the members' meeting on matters referred to in paragraph 8.1.6(a), (b), (e) and (f) hereof are adopted only if a majority of all founding members referred to in

Article V hereof who are Association members at the time of voting vote for them. Otherwise, such decisions are not adopted and do not take effect. This paragraph 8.1.7 hereof does not apply if none of the founding Association members remains an Association member.

8.3 Executive committee of the Association

8.3.1 The executive committee is the Association's governing body. It manages and coordinates the Association's activities in the period between members' meetings, represents the Association in relations with third parties, and performs tasks assigned by the members' meeting.

8.3.2 The Association's executive committee comprises a maximum of five members. The Association's executive committee may decide to increase the number of executive committee members at any time after the number of full members reaches more than five, but is under no obligation to take such a decision.

8.3.3 The executive committee has two types of members – permanent and elected. The executive committee's permanent members are the founding members referred to in Article V hereof. Other executive committee members are elected members. They are elected for a five-year term by the members' meeting. Executive committee members may be re-elected.

8.3.4 The executive committee is quorate if at least a two-thirds majority of all its members are present. The executive committee adopts resolutions by a three-fifths majority of all members, save as otherwise provided by these Statutes. The activities of the Association's executive committee are managed by the executive committee's chair, or, in the chair's absence, by its vice-chair. In the event of a tie, the chair has the casting vote; in the chair's absence, each vote has the same weight. An executive committee member may not be represented, even by another executive committee member.

8.3.5 The executive committee may adopt decisions by memorandum. Any executive committee member may submit a draft decision to the other executive committee members by email or in paper form and set a time limit for their observations. If a three-fifths majority of all executive committee members approve of the draft, the decision is adopted, save as otherwise provided by these Statutes. A decision by memorandum may also be adopted by the executive committee if a three-fifths majority of all executive committee members signs a written copy of the draft decision. Each executive committee member is obliged to indicate the email address that it will use for mailing purposes as a member of the Association's executive committee and to notify this email address to the other executive committee members.

8.3.6 The chair of the executive committee organises its activities and represents the Association in public. The vice-chair of the Association's executive committee represents the chair in the chair's absence.

8.3.7 Membership of the Association's executive committee is terminated by the member's removal, upon expiry of the member's term of office, upon resignation, upon the winding-up of a legal entity that is an executive committee member, or upon termination of an executive committee member's Association membership. Permanent

executive committee members cannot be removed from office. A member's resignation takes effect on the date on which that resignation is discussed by the executive committee, but no later than 30 days from the date of due service of the notice of resignation on the executive committee.

8.3.8 The Association's executive committee decides on all matters that are not reserved for decision-making by other Association bodies. The Association's executive committee in particular:

- (a) manages the Association's activities in the period between members' meetings;
- (b) defines the strategy for the Association's activities;
- (c) decides on the performance of any secondary economic activity by the Association;
- (d) decides on the establishment, dissolution or transformation of branch associations;
- (e) submits proposals for members' meeting decisions;
- (f) authorises an Association member to meet other organisations;
- (g) is responsible for the implementation of members' meeting resolutions and for the management of the Association's assets;
- (h) prepares an activity report covering the previous period;
- (i) prepares the draft budget for the upcoming period;
- (j) convenes Association members' meetings and prepares documents for members' meetings, including draft resolutions;
- (k) ensures that members' meeting resolutions are implemented, prepares the minutes of members' meetings, and forwards them to Association members;
- (l) takes decisions on the Association's internal organisational structure, including the establishment and dissolution of expert commissions, sections, clusters or other groups, and the approval of rules governing their operation;
- (m) appoints and removes the chair and vice-chair of the executive committee;
- (n) proposes amendments to the Statutes;
- (o) issues the Association's internal regulations;
- (p) admits new Association members, subject to the founding members' approval;
- (q) takes decisions on the expulsion of an Association member in accordance with the Statutes.

8.3.9 The approval of a majority of all permanent executive committee members is required for decisions on matters referred to in paragraph 8.2.8(a), (b), (d), (m) and (p) hereof. If the executive committee has no permanent members, this provision does not apply.

8.3.10 The executive committee is accountable to the Association's members' meeting for its activities.

8.3.11 In all cases, two executive committee members represent the Association in relations with third parties.

8.4 Executive director – obligations and powers.

8.4.1 Obligations of the executive director:

8.4.1.1 The executive director is obliged to ensure the day-to-day running of the ČAOBH in accordance with executive committee instructions and to implement agreed steps and measures in accordance with members' meeting resolutions.

8.4.1.2 The executive director is responsible for the Association's economic affairs, for a balanced budget, for the timely payment of ČAOBH members' membership fees and for the timely payment of the ČAOBH's membership fees to other entities of which the ČAOBH is a member.

8.4.1.3 The executive director is obliged to organise executive committee meetings, members' meetings, and meetings of clusters and the scientific council, including the administrative requirements thereof, such as the sending of invitations, underlying documentation, the reproduction of written documents, and technical arrangements, where required, for the remote connection of ČAOBH partners from the Czech Republic or abroad.

8.4.1.4 The executive director prepares underlying documentation for executive committee meetings and for members' meetings: the activity report for the previous period, the activity plan for the coming period, the draft budget, the draft plan of PR activities, and campaigning to place ČAOBH representatives on circular economy advisory councils at national and international level.

8.4.1.5 The executive director is responsible for deployment of all methods of ČAOBH promotion so that the interested public has the opportunity to learn about the ČAOBH's current activities and planned steps, and is able to contribute to the promotion of the circular economy.

8.4.1.6 The executive director is responsible for organising meetings with external partners, such as ministries, regional authorities, the Union of Towns and Municipalities of the Czech Republic, the Confederation of Industry of the Czech Republic and other unions, associations and societies, and, in cooperation with such partners, for preparing and promoting the ČAOBH's opinions on legislative and conceptual proposals.

8.4.1.7 In the interests of expanding the membership base, the executive director is required to seek out prospective new members and, if they are interested in membership, to submit their applications to the executive committee for assessment. The same applies to those interested in activities within sectoral clusters.

8.4.1.8 In order to increase the effectiveness of ČAOBH members' activities, the executive director initiates the transfer of best available techniques and staff training, including "second literacy".

8.4.1.9 In order to expand the ČAOBH's activities, the executive director is required to secure multi-source financing through grants or contracts, e.g. for consultancy or training.

8.4.1.10 As another source for the financing of the circular economy's development, the executive director is obliged, in cooperation with the 21st Century Technologies Foundation

(Nadační fond pro technologie pro 21. století), to secure sponsors for this foundation and to submit proposals to the ČAOBH executive committee on the use of funds from the 21st Century Technologies Foundation.

8.5 Scientific council

8.5.1 The scientific council is an advisory body of the Association.

8.5.2 The scientific council makes recommendations to the Association about its activities and current topics related to the nature of the Association's activities.

8.5.3 Scientific council members are elected by the Association's executive committee for an indefinite period. The number of scientific council members is set by the Association's executive committee. The maximum number of members is nine.

8.5.4 A person who is an expert on the use of secondary raw materials, materials contained in waste, or waste management, or who is an expert on environmental protection, or has expertise in another area related to the nature of the Association's activities (e.g. sociology, economics, or political science), and who has appropriate credibility in relation to administrative bodies, may become a scientific council member. Scientific council membership is not conditional on Association membership.

8.5.5 Scientific council members elect a chair from their number. The chair organises the scientific council's activities, in particular by convening meetings of the scientific council. Meetings of the scientific council may also be convened by the Association's executive committee. The scientific council meets at least once a year. The scientific council chair reports on each meeting of the scientific council to the Association's executive committee. On request, scientific council members are obliged to attend executive committee meetings.

8.5.6 The Association's executive committee may remove a scientific council member at any time. A scientific council member may resign at any time. A member's resignation takes effect on the date on which that resignation is discussed by the executive committee, but no later than 30 days from the date of due service of the notice of resignation on the executive committee.

8.6 Clusters

8.6.1 In order to promote the principles of the circular economy, full members and interested parties who are not full members may agree to establish clusters.

8.6.2 Cluster members are selected according to the potential they offer, in relation to the cluster's planned activities, to contribute to the development of the circular economy from the perspective of technology, legislative and economic instruments,

and marketing helping to further the circular economy. The procedure followed by the executive committee to admit cluster members is the same as for full members.

8.6.3 The number of clusters depends on a decision taken by the executive committee and on the agreement reached with those interested in sectoral clusters.

8.6.4 Upon establishment, each cluster is competent to organise its own activities, submit ideas or proposals to other clusters for consultation, and submit proposals to the ČAOBH executive committee. Cluster members themselves elect a chair, along with a vice-chair who, in the absence of the chair, manages the cluster's meetings.

Article IX

Principles of the Association's financial management

9.1 The Association is a non-profit organisation. The Association's income comes from membership fees, funds obtained within the scope of the Association's activities, donations, subsidies, and government or European grants. The income is duly used for the Association's activities.

9.2 The Association's expenses are focused on carrying out its activities in accordance with its Statutes and budget.

Article X

Dissolution of the Association

10.1 The Association ceases to exist by merger with another association, by liquidation further to a decision of the members' meeting, or upon dissolution of the Association in accordance with a court ruling.

10.2 If the Association is wound up with liquidation of assets, the members' meeting will decide whether the liquidation surplus is to be transferred to other non-profit associations with the same or similar activities or whether it will be offered to the municipality in which the Association has its registered office.

Article XI
Final provisions

- 11.1. In matters not regulated by these Statutes, the Association's activities are governed by Act No 89/2012, the Civil Code, and other applicable legislation.
- 11.2. These Statutes were approved by all members on 22 September 2020.
- 11.3. These Statutes take effect on 1 October 2020.

Prague, 22 September 2020

Rostislav Čáp
Executive committee chair

Zdeněk Horsák
Executive committee vice-chair