

Articles of Association

Berghof Foundation Operations gGmbH

Article 1 Name, place

- (1) The Association shall bear the name “Berghof Foundation Operations gGmbH”.
- (2) The Association shall be established in Berlin, Germany.

Article 2 The Association’s purpose/objectives

- (1) The Association shall exclusively and directly pursue non-profit objectives as defined in the section on “Tax-Privileged Purposes” of the German Fiscal Code.
- (2) The Association’s purpose and objectives shall be to foster international understanding, to promote science and research, education and schooling, and to procure funds within the meaning of Section 58, number 1 of the German Fiscal Code for the achievement of the aforementioned objectives.
- (3) The Association shall fulfil the purposes laid down in its statutes primarily through measures to support non-violent conflict management in the field of peacebuilding, peace education, and peace and conflict research.

They shall comprise activities and projects which the Association operates or promotes either independently or on behalf of third parties. Particular importance shall be attached to interdisciplinary clustering of experience.

The Association sees itself as part of a global network and shall therefore apply cooperative approaches in the performance of its activities.

- (4) The range of activities in which the Association is engaged shall include, but shall not be limited to, the following:
 - a. producing specialist publications;
 - b. building institutions and capacities, and developing strategies to support peace processes;

- c. delivering training, education and professional development programmes; should this involve the provision of scholarships, this shall take place through public competition;
 - d. supporting and leading processes of dialogue and negotiation between conflict parties;
 - e. establishing and maintaining networks;
 - f. organising and participating in conferences, workshops, seminars and training events;
 - g. advising stakeholders and institutions that are directly engaged in or provide support for peace processes;
 - h. producing learning media and curricula for use in peace education;
 - i. delivering theoretical and empirical projects in the field of peace and conflict research, inter alia through the application of action research methodology, with timely publication of research findings;
 - j. delivering and supporting evaluation and impact analysis projects;
 - k. providing sound and reliable information for the public, inter alia through lectures, presentations and media engagement.
- (5) In the pursuit of its objectives, the Association may establish branches in Germany, and abroad and may enter into partnerships with other stakeholders engaged in its area of work.

Article 3 Non-profit status

- (1) The Association shall be guided by altruistic motives. It shall not seek to achieve any purpose or objectives geared primarily towards its own economic advantage.
- (2) The Association's assets may only be used for the purposes laid down in its statutes. Its shareholders shall not, in that capacity, receive any dividends or other allocations from company funds.
- (3) No persons shall benefit from expenses not in accordance with the Association's purpose and objectives; nor shall they benefit from excessive remuneration.
- (4) The Association may pursue its purpose and objectives itself, or may do so through aides within the meaning of Section 57, paragraph 1, second sentence of the German Fiscal Code, or may assign part of its funds to another tax-privileged

corporation or to a legal person under public law to be used for tax-privileged purposes (Section 58, number 2 of the German Fiscal Code), or it may procure funds for the achievement of the tax-privileged purposes of another corporation or for the achievement of tax-privileged purposes by a legal person under public law (Section 58, number 1 of the German Fiscal Code). The procurement of funds for a private corporation subject to unlimited tax liability shall be conditional upon that corporation itself having tax-privileged status.

- (5) A legal claim to benefits from the Association shall not exist, nor shall any such entitlement arise as a result of repeated provision of benefits.

Article 4 Share capital

The Association's fully paid-up share capital shall amount to EUR 25,000.00 (in words: twenty-five thousand euros). The share capital shall be divided into one company share with a nominal value of EUR 25,000.00.

Article 5 Duration of the Association, business year, annual financial statements, announcements

- (1) The Association is established for an indefinite period.
- (2) The annual financial statements may be compiled with due consideration of the full or partial appropriation of net income for the relevant financial year. If and insofar as is necessary for the continuous fulfilment of the Association's purpose and objectives, reserves in the amount permitted under tax law may be formed during the preparation of the annual financial statements.
- (3) The annual financial statements shall be approved by a resolution of the shareholders.
- (4) Annual financial statements not requiring statutory audit shall only be examined by an auditor if the meeting of shareholders so decides.
- (5) The Association's business year shall be the calendar year.
- (6) Association announcements shall be published solely in the electronic German Federal Gazette.

Article 6 Bodies

The Association shall have three bodies:

- ≡ the Executive Management (Article 7),
- ≡ the Meeting of Shareholders (Article 8),
- ≡ the Board of Trustees (Article 9).

Article 7 Executive Management and representation

- (1) The Association shall have one or two executive directors.
- (2) Each executive director shall be endowed with sole rights of representation. The Association may grant the executive directors exemption from the restrictions provided for in Section 181 of the German Civil Code.
- (3) The executive directors shall be appointed and dismissed by shareholder resolution. When agreeing, amending or terminating contracts of employment with an executive director, the Association shall be represented by the Chair of the meeting of shareholders.
- (4) The meeting of shareholders may adopt rules of procedure which inter alia may make the performance of certain business transactions contingent upon approval by the meeting of shareholders. Approval shall be required for the following in particular:
 - a. the sale or encumbrance of items forming part of company assets and assigned to the Association for permanent use as its asset stock;
 - b. the acquisition, sale or encumbrance of real estate;
 - c. the formation of or investment in companies, and the establishment of branches;
 - d. the conclusion of tenancy or lease agreements where the annual rent exceeds EUR 25,000.00 (twenty-five thousand euros);
 - e. the conclusion of employment contracts, including with freelancers, where the contractual remuneration exceeds EUR 85,000.00 (eighty-five thousand euros) within a twelve-month period;
 - f. the raising or granting of loans;
 - g. the assumption of sureties and guarantees;

- h. the provision of retirement or other pensions;
- i. the granting or revocation of commercial powers of attorney and general powers of attorney.

Approval shall in all cases be required for business transacted with a shareholder of the Berghof Foundation Trust GmbH or a relative of a shareholder of the Berghof Foundation Trust GmbH within the meaning of Section 15 of the German Fiscal Code. The same shall apply to business transacted with companies that are directly or indirectly controlled by persons described in the third sentence, with the exception of business transacted with the Berghof Foundation Trust GmbH that relates to the fulfilment of the purposes defined in its statutes.

Article 8 Meeting of shareholders

- (1) Shareholder resolutions shall in general be adopted at the meeting of shareholders. Outside the meetings, resolutions may also be adopted in writing, by email or by fax. Minutes shall be kept as a record of all resolutions adopted by shareholders, including those adopted outside the meeting of shareholders, insofar as there is no legal requirement for notarisation. The minutes shall be signed by the Chair of the meeting of shareholders and copies circulated to the Executive Management unless the meeting of shareholders decides otherwise.
- (2) The meeting of shareholders shall be primarily responsible for decisions on the following matters:
 - a. approving the long-term strategic vision and medium-term strategic plan;
 - b. approving the annual budget fund and special initiative fund;
 - c. approving funding policy;
 - d. appointing and dismissing the executive directors;
 - e. appointing and dismissing the members of the Board of Trustees; designating the Chair of the Board of Trustees; approving rules of procedure for the Board of Trustees;
 - f. approving the annual financial statements;
 - g. approving the appropriation of profits;
 - h. approving the actions of the executive directors;

- i. selecting and appointing an auditor;
- j. deciding on business transactions that are subject to approval within the meaning of Section 7, paragraph 4.

The effectiveness of the resolutions adopted by the meeting of shareholders on the aforementioned matters shall not be conditional on Article 9 (3) (b) of these Articles of Association.

Article 9 Board of Trustees

- (1) A Board of Trustees shall be established for the Association. The Board of Trustees shall be composed of the Chief Executive Officer (CEO) of the Berghof Foundation Trust GmbH (automatic member) and between four and ten other persons (regular members).
- (2) Regular members shall be appointed by the meeting of shareholders for a three-year term; the meeting of shareholders may extend or reduce the term in individual cases. A member may be reappointed no more than twice; no reappointment shall be made if the member concerned has already reached 70 years of age at the start of the new term in office. Shareholders of the Berghof Foundation Trust GmbH may be reappointed with no restriction. The meeting of shareholders shall designate the Chair. Regular members of the Board of Trustees may be dismissed by the meeting of shareholders if there are good grounds for doing so.
- (3) The Board of Trustees shall support the Association in the fulfilment of its non-profit purpose and objectives. It shall perform the following functions in particular:
 - a. advising the Executive Management in respect of measures, programmes and the strategic development of the Association;
 - b. advising the meeting of shareholders, particularly on matters set forth in Article 8, paragraph 2;
 - c. evaluating the implementation of the strategic vision adopted by the meeting of shareholders and the mid-term strategic plan;
 - d. scrutinising the use of funds, taking particular account of the strategic vision, strategic plan and funding policy adopted by shareholders;

- e. decision-making on the work plan and budget for the coming year, taking particular account of the financial framework approved by shareholders (annual budget fund, special initiative funds);
- f. reviewing the annual work and financial report submitted by the Executive Management;
- g. decision-making on the implementation of special projects of a strategic nature, giving particular consideration to the financial framework established by the shareholders for this purpose (special initiative fund);
- h. scrutinising the Executive Management's annual report on special projects of a strategic nature (special initiative report).

The meeting of shareholders may assign further functions to the Board of Trustees. The Board of Trustees shall report regularly on its activities to the meeting of shareholders; in particular, it shall inform the meeting of shareholders of the findings of its reviews without delay.

- (4) The working language of the Board of Trustees is English.
- (5) In general, resolutions of the Board of Trustees shall be adopted at its meetings. The adoption of resolutions outside of meetings by email or fax shall be permissible should the Chair of the Board of Trustees so stipulate.
- (6) The Chair shall summon members to a meeting at least once a year in writing, by email or by fax subject to at least fourteen (14) days' notice.
- (7) The meeting shall be deemed to have a quorum provided that at least half its members who are entitled to vote are present. The automatic member may be represented by another member of the Board of Trustees or by a shareholder of the Berghof Foundation Trust GmbH. Resolutions shall be adopted by a simple majority of the votes of all members with voting rights who are present, unless otherwise stated in this Agreement or in legislation. In the event of a tie, the Chairman shall have the casting vote. The Chair shall have the right to veto any resolution.
- (8) The Members of the Board of Trustees shall be entitled to reimbursement of allowable out-of-pocket expenses, as well as to a flat-rate expense allowance in an amount to be determined by the meeting of shareholders.

- (9) Section 52, paragraph 1 of the Limited Liabilities Companies Act shall apply to the Board of Trustees only as long as and insofar as the meeting of shareholders so decides by a majority sufficient to amend the Association's statutes.
- (10) If the Board of Trustees has an honorary member, the number of Board of Trustee members shall be increased accordingly. The honorary member shall attend the meetings as a permanent guest without voting rights and shall have life membership of the Board of Trustees. Honorary members shall be entitled to reimbursement of allowable out-of-pocket expenses.
- (11) More detailed provisions shall be laid down by the meeting of shareholders in the Rules of Procedure for the Board of Trustees.

Article 10 Conflicts of interest

- (1) The members of the Executive Management and of the Board of Trustees shall be obliged to act solely in the Foundation's interests. No member of the Executive Management or of the Board of Trustees may pursue his or her personal interests in his or her decision-making.
- (2) Each member of the Executive Management or of the Board of Trustees shall be obliged to disclose potential conflicts of interest to the other executive director or to the Chair of the Board of Trustees, as appropriate, without delay. The Chair of the Board of Trustees shall be obliged to disclose any potential conflict of interest to the Chair of the meeting of shareholders without delay.
- (3) No member of the Executive Management or of the Board of Trustees may participate in decision-making on the allocation of funds if she or he is connected to the beneficiaries of said decision.

Article 11 Amendment of the statutes, dissolution, transfer of assets

- (1) Resolutions on amendments to the statutes or on the dissolution of the Association may only be adopted at the meeting of shareholders.
- (2) Resolutions on amendments to Articles 2, 3 and 11 may only be implemented once the tax office responsible has certified their compliance with non-profit regulations.

- (3) Upon their resignation or upon the dissolution of the Association or upon the cessation of its tax-privileged purpose, shareholders may not have returned to them more than any capital contributions that they paid in and more than the joint value of contributions in kind made by them.
- (4) In the event of the Association's dissolution or the cessation of its tax-privileged purpose, the Association's assets, insofar as they exceed the capital contributions made by shareholders and the joint value of contributions made in kind by them, shall pass to the Berghof Foundation Trust GmbH, which must use them solely and directly for non-profit purposes.

Article 12 Final provisions

- (1) Insofar as no specific provisions have been reached in these Articles of Association, the statutory provisions shall apply.
- (2) Amendments to these Articles must be made in writing insofar as the law does not require notarisaton or certification.
- (3) If any provision of these Articles is or becomes invalid, the validity of the other provisions shall not be affected. Invalid or vague provisions shall be replaced by provisions which correspond as far as possible to the intent and purpose of those that are invalid or vague. The same shall apply to any gaps identified in these Articles.
- (4) The Association's formation costs and taxes, up to a maximum amount of EUR 1,500.00 (one thousand five hundred euros), shall be borne by the Association.

Version adopted by shareholder resolution on 2 August 2019