

Stichting Producentenorganisatie UPV Textiel - Articles of association

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Establishment

Copy of the deed of establishment of:

Foundation "Stichting Producentenorganisatie UPV Textiel"

Deed dated August 31st, 2022.

ESTABLISHMENT OF THE FOUNDATION

2022.072486/ODC/MGE

The deed of establishment was executed on August 31st, 2022, appearing before me, Fedde Joost René Op de Coul, a civil-law notary in Utrechtse Heuvelrug: Ms. Angela van Schuppen, born in Veenendaal on May 3, 1998, working at my office in Leersum, municipality of Utrechtse Heuvelrug, at the Maarsbergseweg 20a, to this effect, representing the following founding organizations:

1. The association:

MODINT, Entrepreneurs organization for fashion, interior, carpet, and textile, registered office in the municipality of Zeist. Office located at 3708 AG Zeist, Arnhemse Bovenweg 100, registered in the trade register of the Chamber of Commerce under number: 40534321, hereinafter referred to as "MODINT";

2. The association:

INretail, registered office in the municipality of Zeist. Office located at 3708 AG Zeist, Arnhemse Bovenweg 100, registered in the trade register of the Chamber of Commerce under number: 30266333, hereinafter referred to as "INretail".

From the aforementioned powers of attorney, it was apparent to me, the notary, from two (2) private deeds of power of attorney, which are attached to this deed. The appearing person, acting as mentioned, declared on behalf of MODINT and INretail to hereby establish a foundation and to establish the following articles of association for it:

ARTICLES OF ASSOCIATION

Name and Seat

Article 1

1. The foundation bears the name: "**Stichting Producentenorganisatie UPV Textiel**".

2. It has its seat in the municipality of Zeist.

Objective

Article 2

1. The foundation's objective is to ensure an efficient and effective implementation of the producer responsibility for TEXTILE, thereby contributing to a circular clothing and textile sector. It aims to be the producer organization as intended in the Extended Producer Responsibility Decree on Textiles and Article 6 of the Decree on the Regulations for Extended Producer Responsibility, enabling the foundation to collectively fulfil the individual obligations of producers and importers under the Extended Producer Responsibility Decree on Textiles and related legislation and regulations.

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2. Furthermore, the foundation's objectives include:

- Implementing the Extended Producer Responsibility for Textile;
- Optimizing the textile chain from production to recycling;
- Improving production conditions for humans, animals, and the environment in accordance with the OECD due diligence guidelines for a responsible value chain in the textile and footwear sector;
- Driving innovations to achieve a circular chain;
- Communicating about the implementation and results of textile producer responsibility;
- Performing all further actions that are related to the above in the broadest sense or that may be conducive to it.

3. The foundation seeks to achieve its goal by:

- Establishing and maintaining a structure that allows collective compliance with applicable legislation for producers and importers under the Extended Producer Responsibility Decree on Textiles;
- Periodically determining the textile management fee according to a predefined system;
- Collecting the textile management fee to finance the establishment, maintenance, and execution of the structure and organization;
- Stimulating and facilitating circular innovation;
- Entering into banking money loans;
- Encouraging and supporting a collective initiative in the area of the further sustainability of the circular chain, and furthermore everything that is directly or indirectly related or conducive to the above or can be, all in the broadest sense of the word.

Founding Organizations

Article 3

The founding organizations of the foundation are:

- The association: INretail, aforementioned, hereinafter referred to as "INretail";
- The association: MODINT Entrepreneurs Organization for fashion, interior, carpet, and textile, aforementioned, hereinafter referred to as "MODINT".

Resources

Article 4

The resources of the foundation consist of:

- The textile management fee paid by producers and importers to the foundation;
- All other revenues, subsidies, contributions, and donations.

Board: Composition and Appointment Method

Article 5

1. The board consists of at least six members. Three members are appointed by INretail and three members are appointed by MODINT.

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2. INretail and MODINT may decide to add a seventh member as an independent chairperson, the appointment shall then be made by a corresponding decision of both INretail and MODINT.
3. Vacancies should be filled as soon as possible by the organization that appointed the board member in question. The board elects a secretary and treasurer from among its members. The positions of secretary and treasurer may be held by one person. In case an independent chairperson is not chosen, the board elects a chairperson from among themselves.
4. Board members are appointed for three (3) years and are eligible for unlimited reappointment.
5. A board member must be relieved of duty by the board upon request of the appointing organization.
6. The board retains its powers even with one or more vacancies.

Board: Task and Powers

Article 6

1. The board is charged with the management of the foundation. Board members shall focus on the foundation's interest and the associated organization in the fulfilment of their duties.
2. The board is not authorized to decide on agreements for the acquisition, alienation, and encumbrance of registered properties unless the decision is made with unanimous votes of all serving board members.
3. The board is not authorized to decide on agreements where the foundation commits itself as guarantor or joint debtor, undertakes for a third party, or binds itself to provide security for another's debt, unless the decision is made with unanimous votes of all serving board members.
4. Bequests may only be accepted under the privilege of inventory description.

Board: Meetings

Article 7

1. Board meetings are held in the Netherlands at the location determined in the summons.
2. Annually, within six months after the end of the financial year, a board meeting (annual meeting) is held, where at least the balance sheet and the statement of income and expenses are determined.
3. Additional meetings are held whenever a board member issues a summons for it.
4. The summons for a meeting is made at least seven days in advance, excluding the day of the summons and the day of the meeting, by means of an invitation.
5. An invitation states, besides the place and time of the meeting, the topics to be discussed.
6. The meetings are chaired by the chairman. If absent, the present board members will oversee the meeting.
7. The secretary takes minutes of the meeting. In their absence, the minute-taker is designated by the meeting's leader. The minutes are approved and signed by those who functioned as chairman and minute-taker. The minutes are then kept by the secretary.

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8. Serving board members and those invited by the board have access to the board meetings.

Absence, Vacancy, and Conflicting Interests

Article 7a

1. In the event of absence or vacancy of a board member, the remaining board members shall be in charge of the management.
2. If all board members or the sole board member are absent or vacant, the management temporarily falls to one or more persons appointed by MODINT and INretail for such situations. These appointed persons are considered equivalent to board members for acts performed during this period. If all board members are absent without appointed replacements, any stakeholder may request the competent court to appoint a board member.
3. Absence refers to a board member prevented from acting if, due to suspension, illness or unavailability for more than twenty-five working days, he or she is temporarily or permanently unable to perform the duties or exercise the powers conferred on him or her by or pursuant to the law, these Articles of association or regulations of the foundation.
4. Vacancy refers to an open position due to resignation, dismissal without immediate successor, or the death of a board member.
5. A board member should avoid conflicting interests with the foundation. If a board member of a multi-member board suspects or has a conflicting interest, it must be immediately reported to the other board members.
6. A management board member must abstain from the deliberations on the matter in which the conflict of interest is involved, he has no voting rights in this matter and neither does he count towards a possible quorum for that decision-making.
7. If all board members have a conflict of interest, the board may still make decisions unanimously, with written documentation of the considerations underlying the decision. The board shall at all times ensure a careful record of decision-making if there is an adverse interest as referred to in this article.
8. In these Articles of association, "written" refers to communication by letter, email, or any other electronic means of communication, as long as it's readable and reproducible.

Board: Decision Making

Article 8

1. The board can only make decisions in a meeting if the majority of serving board members are present or represented. A board member can be represented by another after providing a written power of attorney deemed sufficient by the chair. In doing so, a board member can only act as power of attorney for one other board member.
2. Valid decisions can be made on all topics in a meeting where all serving board members are present, even if the statutory procedures for convening and conducting meetings aren't followed, provided all decisions are unanimous.
3. Board members can participate in meetings electronically and are considered present in person. The board can also meet via phone or videoconference, provided all participants can hear and be heard at all times.

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4. The board can also make unanimous decisions outside of meetings, recorded by the secretary and co-signed by the chair, shall be kept as minutes.
5. Each board member has one vote. Board decisions are made by an absolute majority of valid votes unless the articles of association require a larger majority.
6. Voting in meetings is verbal unless written voting is requested by one or more board members before the vote. Written votes are cast using unsigned, sealed ballots.
7. Blank votes are considered not cast.
8. The chair of the meeting resolves any disputes about voting.

Board: Termination of Function

Article 9

A board member ceases to function:

- a. by death;
- b. at the request of the organization that appointed the board member;
- c. by loss of control over their assets;
- d. by resignation;
- e. by dismissal granted by the joint other board members;
- f. by dismissal under Article 2:298 of the Civil Code ("Burgerlijk Wetboek").

Board: representation

Article 10

1. The board represents the foundation.
2. The power of representation is also granted to two board members acting jointly, one from each participating organization as described in Article 3.
3. The board can authorize one or more board members, as well as third parties, to represent the foundation within the limits of that authority.

Advisory Council

Article 11

1. The foundation may establish an advisory council, comprising representatives from companies, organizations, and institutions with relevant expertise, to advise the board on achieving the foundation's goals.
2. Participating companies, organizations, or institutions are selected by the board, and the members of the advisory council are appointed by the board.
3. The duties, tasks, and powers of the advisory council are determined by the board.

Financial Year and Annual Accounts

Article 12

1. The foundation's financial year coincides with the calendar year.
2. The board is obliged to keep track of the assets of the foundation and everything concerning the activities of the foundation, in accordance with the requirements arising from these activities, to keep records in such a way and to store the books, documents and other data carriers in such a way that the foundation's rights and the rights and obligations of the foundation can be known at all times.

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3. The board must prepare and adopt on paper the balance sheet and statement of income and expenses, including an explanation, within six months after the financial year's end.
4. The board must retain the books, documents, and other data carriers mentioned in the paragraphs above for seven years.
5. Data stored on a data carrier, except the paper balance sheet and income statement, can be transferred and stored on another data carrier, provided the transfer is accurate and complete and the data remains accessible and readable within a reasonable time.

Regulations

Article 13

1. The Board is authorised to adopt regulations governing those subjects which, in the opinion of the board, require (further) regulation.
2. Regulations must not conflict with the law or these articles of association.
3. The board can amend or terminate the regulations.
4. The adoption, amendment, and termination of regulations follow the process in Article 14, paragraph 1.

Amendment of the articles of association

Article 14

1. The board is authorized to amend these articles of association, provided that the decision to amend can only be made with prior approval of the founding parties, the associations INretail and MODINT. A decision to amend the articles of association must be taken unanimously in a meeting where all board members are present or represented.
2. The amendment must be executed in a notarial deed under penalty of nullity. Each board member is separately authorized to execute the relevant deed.
3. The board members are required to deposit an authentic copy of the amendment and the amended articles of association at the office of the trade register.

Dissolution and Liquidation

Article 15

1. The board is authorized to dissolve the foundation, subject to the provisions of Article 14, paragraph 1.
2. The board's decision to dissolve follows the same procedure as Article 14, paragraph 1.
3. Upon dissolution, the destination of the liquidation balance is determined. In other cases of dissolution, the liquidators determine the destination of the liquidation balance.
4. After dissolution, liquidation is carried out by the board members, unless others are appointed as liquidators in the dissolution decision.
5. After liquidation, the documents of the dissolved foundation remain in custody as per legal requirements and remain in the custody of the person appointed by the liquidators.
6. The liquidation process follows the provisions of Title 1, Book 2 of the Civil Code ("Burgerlijk Wetboek").

Final Provision

Article 16

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1. In all cases not provided for by either the law or these articles of association, the board decides.
2. "Written" in these articles of association refers to any message transmitted through the usual communication channels.

Transitional Provision

Article 17

Contrary to Article 5, paragraph 1, the board of the foundation initially consists of two (2) board members. Four (4) more board members will be appointed, and potentially a fifth independent chair.

FINAL STATEMENT

1. The initial board members of the foundation:
 - a) Mr. Udo Enrico Delfgou, born in Utrecht on the 21st of September 1970, on behalf of INretail.
 - b) Mr. Patric Aloysius Johannes Hanselman, born in Wehl on the 6th of July 1971, on behalf of MODINT.
3. The foundation's first financial year ends on the 31st of December 2023.
4. The foundation's first address is in Zeist is 3708 AG Zeist, Arnhemse Bovenweg 100.

CONCLUSION

The appearing person is known to me, the notary.

WHEREOF THIS DEED

was executed on the date and in the place mentioned in the head of this deed.

The substance of this deed was given and explained to the person appearing.

The persons appearing declared:

- that the parties have received a draft of this deed in good time before its execution, have taken note of its contents and agreed thereto;
- that a full reading of this deed was not desired.

This deed was read aloud in restricted type and signed immediately afterwards, first by the persons appearing persons and then by me, civil-law notary.

(Signature not included in this translated version.)