

Statutes of the Institute of Internal Auditors - Belgium

Chapter I General principles

Article 1 Name and duration

The association is incorporated as a non-profit organisation.

The Dutch name of the association is: "Institute of Internal Auditors- Belgium".

The French name of the association is: "Institut des Auditeurs Internes- Belgique".

The English translation of the association's name is: "Institute of Internal Auditors- Belgium".

The abbreviations "IIABel" or "IIA Belgium" or "IIA Belgique" or "IIA Belgium" may also be used.

The association was founded on 16 January 1998 (Belgian Official Gazette of 6 August 1998) for an indefinite period. The Nederlandstalige Ondernemingsrechtbank in Brussels has jurisdiction over IIA Belgium VZW.

Article 2 Registered office

The seat of the association is located in the Flemish Region. The governing body is authorised to move the registered office of the association within the Belgian territory, as long as the move does not entail a language change of the statutes according to the language legislation in force.

The official website of IIA Belgium VZW is www.iabelgium.org and the official e-mail address is info@iabelgium.org.

Any communication to this address by members is considered valid. The governing body may change the website address and e-mail address even if it is in the articles of association.

Article 3 Purpose

The association is the professional body of internal auditors in Belgium, affiliated to the international Institute of Internal Auditors (IIA). The main objective of the association is to defend, represent and promote the professional interests of internal auditors in Belgium.

To achieve this goal, the association's objects include the following activities:

1. promoting and raising the profile of the profession of internal auditing and developing best practices in internal auditing;
2. Maintain professional requirements and standards for the proper practice of the profession;
3. Contribute to research on internal audit, corporate governance, risk management and internal control;
4. disseminate relevant information;
5. organise networking meetings of members and/or stakeholders to exchange knowledge and experience;
6. organising training opportunities, seminars and conferences aimed at improving and maintaining the expertise of its members and other stakeholders;

7. Conduct and/or monitor quality reviews of internal audit services;
8. organise other services for the benefit of its members.
9. ...

To achieve these objectives, the association may carry out any material, immovable and financial transactions, except those restricted by law and/or the articles of association. The association may not directly or indirectly distribute or transfer any capital gain or profit to the founders, directors or other persons, except to a non-profit organisation with a similar purpose as provided for in the articles of association. Any transaction contrary to this prohibition is null and void.

The ASBL may hereby carry out, only in subordinate order, economic activities of an industrial or commercial nature, the proceeds of which will at all times be entirely devoted to its disinterested purpose.

Chapter II Membership

Article 4 General

The number of members is not limited, but a minimum of two working members is required.

The association has following categories of working members:

- Active members;
- Honorary members.

In addition, a category of joined members is introduced. Joined members have no voting rights in the general assembly:

- Student members

Active members are natural persons involved or interested in internal audit in one way or another.

Honorary members are persons who have been nominated by the governing body on the basis of their special merits for the association or in the field of internal audit and have accepted their appointment.

Student members are natural persons who are not yet professionally active and are studying at a university or other place of higher education.

Membership is personal and therefore not transferable or assignable.

Wherever reference is made in these bylaws to a member or members, all the aforementioned individual members are meant unless the reference expressly states otherwise.

All working members shall be registered in a register of members maintained at the registered office of the association. The governing body may decide that the register be kept in electronic form. Any member may consult his/her details in the register of members at the registered office of the association. For this purpose, they shall submit a written request to the governing

body with whom they agree on a date and time for consultation of the register. This register cannot be moved.

The association must, upon oral or written request, provide immediate access to the register to the authorities, administrations and departments, including prosecutors' offices, registries and courts, tribunals and all tribunals and officials authorised by law to do so, and provide such authorities with such copies or extracts of such register as such authorities may deem necessary.

Article 5 Admission to membership

Only natural persons can be admitted as members. To become a member of the association, a candidate must be accepted by the governing body with the approval of a simple majority. The governing body may delegate this approval power to the board of the association. Applications can be submitted via the electronic application on the association's website. The date of acceptance is the start date of membership. In case of non-acceptance of the application, the candidate will be notified. No appeal is possible against this decision.

Members undertake, both to the association and to other members, to comply with all articles and all regulations applicable to them, as adopted by the association.

At the time of admission, it is explicitly determined whether one is a working member or an acceding member.

Further conditions for admission may be laid down in the articles of association.

Article 6 Dismissal and exclusion

A member may resign at any time by submitting his/her resignation in writing to the governing body of the association or by delegation to the board. Members who fail to pay their membership fees after applying the dunning procedure are automatically considered to have resigned.

If the conditions for membership are not met, the governing body can impose sanctions.

The exclusion of a working member can be pronounced at the general meeting with a majority as required for amendments to the articles of association. The exclusion of a member must be stated in the invitation to the general meeting. On request, the member must be heard. For joined members, the decision to exclude lies with the governing body.

Death of a member results in termination of membership.

A member who resigns or is excluded cannot recover paid contributions.

Article 7 Claims to the association's assets

Resigning or excluded members and heirs and beneficiaries of deceased members cannot claim the assets of the association, have access to the archives of the association and cannot seal the association.

Article 8 Annual fee / membership fee / rights and obligations

All members, except honorary and student members, pay an annual membership fee. The amount of this contribution is set annually by the governing body. The maximum is 2,000 euros

The association is authorised to receive donations and bequests.

Members, both working and joining members, shall have the rights and duties defined by law and these articles of association.

Article 9 Responsibility and liability

Members do not assume any personal obligations related to the obligations of the association.

Article 10 Communication

A member may give the association an e-mail address to communicate with him at any time. Any communication to this e-mail address is considered valid. The association may use this address until the member concerned has communicated another e-mail address or no longer wishes to communicate by e-mail.

Members of the governing body and the commissioner may provide an e-mail address at the start of their term of office to communicate with the association. Any communication to this e-mail address is considered valid. The association may use this address until the relevant mandate holder has communicated a different e-mail address or his wish to stop communicating by e-mail.

Chapter III General Assembly

Article 11 Composition and powers

All members may attend the General Assembly. Only active members (i.e. excluding honorary members and student members) of the association are entitled to vote. The General Assembly has the following powers:

1. the amendment of the articles of association;
2. appointing and dismissing directors and determining their remuneration, if applicable;
3. appointing and dismissing the auditor and setting their remuneration;
4. granting discharge to directors and external auditors and, if applicable, filing an association claim against directors and external auditors;
5. approval of the budget and annual accounts;
6. the exclusion of members;
7. the dissolution of the association;
8. the conversion of the VZW into an IVZW, a cooperative society recognised as a social enterprise or into a recognised cooperative society social enterprise;
9. To make or accept an input not of a generality;
10. any other powers conferred by the articles of association.

All powers granted by law or not expressly authorised by these articles of association to the general meeting shall be exercised by the governing body.

Article 12 Convocation

A general meeting may be held as often as the governing body deems necessary in the interest of the association. Convening is required within twenty-one days of the written and reasoned request of at least one-fifth of the working members. The General Meeting shall be held no later than the fortieth day after the request.

A General Meeting is held every year within six months of the close of the financial year. At this annual general meeting, the governing body explains the association's financial situation and budget.

The Annual General Meeting decides at least on the approval of the annual accounts, the budget for the next financial year and, in a separate vote, the discharge of the directors and the auditor, if applicable.

The General Assembly is always convened on the initiative of the Governing Body.

Article 13 Formalities

Notice of the General Meeting, together with the agenda, shall be sent electronically to the e-mail address provided by the member. Any proposal signed by at least one twentieth of the working members must be added to the agenda of the General Meeting.

The notice shall state the date and starting time of the general meeting, and also whether the general meeting will take place at the association's registered office or elsewhere, or remotely.

The notification shall be signed by the chairman of the governing body or by two directors and sent at least 15 days before the general meeting.

Items not on the agenda cannot be added.

Article 14 Chairmanship

The general meeting shall be chaired by the chairman of the governing body, assisted by the secretary, or in his/her absence by the vice-chairman or, in his/her absence, by a director appointed by the governing body. The person chairing the meeting shall appoint the secretary of the general meeting, who may be different from the secretary of the association.

Article 15 Voting

a. Voting rights

Every member has the right to attend the General Assembly. Only the working members, being active and honorary members have voting rights. All active and honorary members have equal voting rights, each with one vote. Abstentions are not counted as negative votes and are not included in the total. In the event of a tie, the chairman of the general meeting has a casting vote.

An active or honorary member may be represented by a proxy. The proxy must himself be an active member of the association. Each member may represent only one active member by proxy. All proxies shall be submitted in writing to the chairman at the beginning of the meeting.

b. Quorum and majority

The General Assembly is validly constituted regardless of the number of members present or represented. The decisions of the General Assembly are adopted by a simple majority of the votes of the working members present or represented.

All resolutions of the general meeting on an amendment of the articles of association, the exclusion of a member or the voluntary dissolution of the association can only be approved with a special quorum and special majority as provided for in the Companies and Associations Code.

Article 16 Remote participation

The governing body may allow members to participate in the General Assembly remotely by means of an electronic tool provided by the association. In terms of meeting the conditions of attendance and majority, members participating in the General Assembly in this manner shall be deemed to be present at the place where the General Assembly is held.

For the purposes of the first subparagraph, the association must be able to verify the identity of members through the electronic tool used. Additional conditions may be imposed on the use of the electronic device for the sole purpose of ensuring the security of electronic communications.

For the purposes of subsection 1, the electronic device must enable at least the members referred to in subsection 1, without prejudice to any limitation imposed by or under the law, to take direct, simultaneous and uninterrupted notice of the deliberations at the meeting and to exercise their voting rights in respect of all items on which the meeting is to decide. The electronic device must also enable the members referred to in the first paragraph to take part in the deliberations and ask questions.

The notice convening the General Meeting contains a clear and precise description of the procedures for remote participation. These procedures are made accessible on the association's website for those entitled to participate in the General Meeting.

The minutes of the General Assembly shall record technical problems and incidents that prevented or disrupted the electronic participation of all remote participants in the General Assembly or voting.

Article 17 Minutes

Resolutions adopted by the general meeting are recorded in minutes signed by the chairman, secretary or those acting on their behalf in accordance with Article 14 of the articles of association.

The minutes are kept at the administrative headquarters of the ASBL in a special register and can be viewed by members. The governing body may decide that minutes are kept in electronic form.

Chapter IV Governing Body

Article 18 Composition

The association is governed by a governing body consisting of a minimum of 3 and a maximum of 9 members. If the association has fewer than 3 members, the governing body may consist of 2 members.

All active members can apply for the governing body (i.e. honorary and student members cannot apply). Applications are reviewed by a nomination committee. These candidates are presented by the outgoing governing body to the general assembly, which ultimately nominates up to 9 candidates.

No more than 40% of the governing body may consist of members from consulting firms or members who are not active in the field of internal audit. Only 1 person per organisation can be a member of the governing body.

When a director is elected by the General Assembly, he has the right to terminate his mandate, regardless of changes in title, position or company.

The directorship is valid for three years, renewable (maximum three consecutive times unless there are less than 9 candidates), and is without remuneration.

If the mandate of a director becomes vacant before the end of his mandate, the governing body may co-opt a new director. The next General Meeting will be asked to confirm this replacement. If the General Meeting does not confirm the replacement, the co-opted director's mandate ends at this General Meeting.

In case of a tie for a candidate as a member of the governing body, preference shall be given to the candidate with the longest seniority as an active member of the association.

A director may be dismissed by the governing body at any time by a special majority of unanimity minus one of the votes cast.

A director's mandate expires in case of death, resignation, or placement under guardianship, dismissal or expiry of the term of office. Directors must submit their resignation in writing to the chairperson of the governing body.

Article 19 Functions of the governing body

The governing body shall appoint among its members a chairman, a vice-chairman, a secretary, a treasurer and other necessary positions. Elected members from consulting firms or members who are not active in the field of internal audit may not hold the role of chairman or vice-chairman.

In the absence of the chairman, the governing body shall be chaired by the vice-chairman or, in his absence, by a director designated by the chairman.

Article 20 Convocation

The governing body shall be convened as often as deemed necessary by the chairman or by a director. Notice shall be given by letter or e-mail at least 48 hours before the time of the meeting of the governing body. The notice shall include the date, time and place of the meeting of the governing body, as well as the agenda.

Article 21 Remote participation

If the convocation states so, directors may participate remotely in the governing body. In that case, an electronic means of communication must be used that ensures that people can take note of the discussions at the governing body directly, simultaneously and uninterrupted. It should also enable directors to exercise their voting rights. A director who participates in the governing body remotely in this way is assimilated to a director who is actually physically present at the governing body.

Article 22 Voting

A decision of the governing body is valid only if more than 50% of the members are present. A director may be represented at a meeting of the governing body by another director. The governing body takes its decisions as a collegial body. This means that they must reach a joint agreement (possibly by a majority). Directors who disagree with a decision can have this recorded in the minutes of the meeting. This allows them to avoid directors' liability. In case of a tie vote, the chairman's vote is decisive.

Article 23 Representation, management and delegation

The governing body represents the association in all acts in and out of court. It represents the association by the majority of its directors. Without prejudice to the general power of representation of the managing body as a college, the association is also represented in and out of court by two directors acting jointly.

The governing body may entrust the day-to-day management of the association, as well as the representation of the association in relation to that management, to one or more persons, each acting separately.

The governing body may, under its responsibility, delegate powers for certain actions or tasks to one or more persons, regardless of whether those persons are members of the governing body or of the association. Any delegation of powers by the Governing Body may be terminated by the Governing Body at any time, without the Governing Body having to communicate its reasons to the persons concerned.

Article 24 Liability

The directors are not personally liable for the obligations of the association. Their liability is limited to the proper performance of their assigned duties and to shortcomings in their management.

Article 25 Powers

The governing body has the widest powers to act in the name of the association and to perform all acts of management and decision within the association's purpose. Anything that is not expressly and bindingly reserved to the general meeting by law or by the articles of association is within the competence of the governing body.

Article 26 Minutes

The deliberations of the governing body shall be recorded in minutes. The minutes shall be approved at the next meeting of the governing body and kept in a register at the association's headquarters. The governing body may decide that the minutes be kept in electronic form. The minutes of the governing body must be signed by the chairman and any director who so requests.

Article 27 Conflict of interest

When the governing body must take a decision or decide on a transaction within its competence, in which a director has a direct or indirect interest of a patrimonial nature that conflicts with the interest of the association, the director concerned must declare this to the other directors before the governing body takes a decision. His declaration and explanation of the nature of this conflicting interest shall be included in the minutes of the meeting of the governing body that has to take the decision. The governing body is not allowed to delegate this decision.

A director with a conflict of interest may not participate in the governing body's deliberations on these decisions or transactions, nor vote in that regard.

If the majority of the directors present or represented have a conflict of interest, then the decision or transaction is submitted to the general meeting; in case the general meeting approves the decision or transaction, the governing body can implement it.

This regulation does not apply when the decisions of the administrative body relate to customary operations that take place under the conditions and against the securities normally applicable in the market for similar operations.

Chapter V Internal regulations

Article 28 internal regulations

Internal regulations have been provided for the ASBL. The latest version was approved by the governing body on September 14, 2005. The internal regulations and any amendment thereof shall be communicated to the members or made available on the website of the ASBL if there is one.

Chapter VI Financial statements and budget

Article 29 Annual accounts and budget

Financial year

The financial year of the ASBL runs from 01/01 to 31/12.

Accounting

The accounts are kept in accordance with all legal provisions.

Financial statements and budget

Each year, and at the latest within six months of the closing date of the financial year, the managing body shall submit the annual accounts for the past financial year, as well as the budget for the financial year following the financial year to which these accounts relate, to the general meeting for approval.

After the approval of the annual accounts, the general meeting decides by separate vote on the discharge to be granted to the directors and auditor. This discharge is valid only if the true condition of the association is not concealed by any omission or misstatement in the annual accounts, and, with regard to extrastatutory transactions or those contrary to this Code, if these are specifically indicated in the notice of meeting.

Announcement

The annual accounts are filed in the association file, unless it is provided by law that the annual accounts must be filed with the National Bank of Belgium.

Check

If no commissioner is appointed, all members at the headquarters of the VZW may consult all minutes and resolutions of the general meeting, of the governing body and of the persons, with or without a management position, holding office with the association or on its behalf, as well as all accounting documents of the association.

To this end, they shall address a written request to the administrative body with which they agree on a date and time for consultation of the documents and records. These cannot be rescheduled.

Copies for third parties shall be signed by one or more representative members of the governing body.

Chapter VII Dissolution

Article 30 Dissolution

In the event of voluntary dissolution, the General Meeting or, failing that, the court shall appoint one or more liquidators. The General Meeting shall determine their powers and the method of liquidation.

In case of dissolution, the assets, after settling the debts, shall be transferred, with the approval of the General Assembly that declared the dissolution, to the association, foundation or

organisation, which pursues a disinterested purpose similar to that of the association, as described in Article 3 of these articles of association.

Article 31 final provisions

The association is subject to the provisions of the Companies and Associations Code (Law of 23 March 2019 introducing the Companies and Associations Code, published in the Belgian Official Gazette of 4 April 2019) and all other laws for all matters not expressly regulated in these articles of association.

For everything not explicitly provided for here, the Companies and Associations Code and (subordinately) the internal regulations and (extremely subordinately) the customs concerning associations apply. If 1 or more articles are contrary to the law, this does not lead to the nullity of the other articles.

Adopted on xx November, 2023

B. Administrative notices

The address of the ASBL is: Pegasuslaan 5, 1813 Diegem