

STATUTES

“ESCP EUROPE FOUNDATION”

- FOUNDATION RECOGNISED AS A PUBLIC UTILITY -

PREAMBULE

The ESCP Europe Foundation is aimed at continuing as a Recognised Public Utility the actions undertaken by the Foundation of the same name founded under the aegis of the *Fondation de France* under an agreement dated July 2, 2005, amended March 18, 2009, and signed by the *Fondation de France* and the ESCP-EAP Association.

I – GOALS OF THE FOUNDATION

Article 1: Purpose of the Foundation

The ESCP Europe Foundation aims to contribute to the international development of French and European research and education in management, and more broadly in the economic and social fields, particularly through ESCP Europe.

In particular, it supports the development of ESCP Europe and its partners in:

- Increasing the attractiveness of the school among students and top-level teaching and research staff;
- Backing diversity policies;
- Promoting research and, more broadly, projects aimed at developing competitiveness and innovation in France and abroad;
- Funding educational innovation;
- Etc.

The headquarters of the Foundation is in Paris.

The headquarters may be transferred to any other place in France, by resolution of the Board of Trustees.

Article 2: Means of action

To achieve the objective of general interest as defined in Article 1 of these statutes, the means of action of the ESCP Europe Foundation include:

- Funding scholarships for students;
- Supporting the recruitment of researchers and researcher professors and providing them with required backup;
- Funding research, chairs, publications, seminars, and educational innovations;
- Support the development of European and international curricula;
- Carrying out, when required, acquisition of equity, creation of subsidiaries, acquisition and management of property and assets, joining any type of association, organization or partnership, whether private or public, and generally making any kind of investment that enables it to develop its activity and achieve its aims;
- Selling any type of good or service in relation to the purpose of the Foundation;
- Generally implementing any means that are not contrary to the law or Rules and Regulations.

II – ADMINISTRATION AND OPERATION

Article 3: Board and administration

The Foundation is administered by a Board of Trustees composed of 12 members:

- 4 members comprising the Founding Committee;
- 4 members comprising the Institutional Partners Committee;
- 4 members comprising the Honorary Committee.

3.1. The Founding Committee

The Founding Committee is composed of four representatives appointed and renewed by the Founders Committee, in accordance with the procedure prescribed by the Rules and Regulations. In the event of the unavailability of the Founders Committee, the members of the Founding Committee are appointed and renewed by the members of the Board of Trustees.

3.2. The Institutional Partners Committee

The Institutional Partners Committee is composed of:

- The President of the Paris Chamber of Commerce and Industry, or his/her representative;
- The President of one of the European campuses to which ESCP Europe belongs, or his/her representative, appointed and renewed by the European Board in accordance with the conditions stipulated in the Rules and Regulations;
- The Dean of ESCP Europe, or his/her representative;
- The President of the ESCP Europe Alumni Association or his/her representative.

In the event of the demise of an Institutional Partner, the members of the Board of Trustees would appoint a new Institutional Partner.

3.3. The Honorary Committee

The Honorary Committee comprises four members chosen for their expertise in the field of activity of the Foundation.

These members are appointed and renewed by the other members of the Board of Trustees, in accordance with the conditions stipulated in the Rules and Regulations.

Qualified persons may in no case belong to the Founders Board.

3.4. The Founders Board

The Founders Board is composed of the initial founders of the Foundation and natural or legal persons who make a significant contribution or donation assigned in whole or in part to the endowment of the Foundation and to whom the title of Founder is granted by the Board of Trustees upon the proposal of the Executive Board.

The Rules and Regulations shall determine, if required, the conditions for admittance of new founders into the Board, the operating procedures of the Board, as well as any change to the composition of the latter and the procedures for appointing the Board representative within the

Founding Committee.

The initial composition of the Founders Board is annexed to these statutes.

3.5. Common Provisions

With the exception of members of the Institutional Partners Committee, the members of the Board of Trustees are appointed for a renewable term of three years, in accordance with the conditions stipulated in the Rules and Regulations.

With the exception of members of the Founding Committee and members of the Institutional Partners Committee, members of the Board of Trustees may be dismissed on just grounds by the Board of Trustees, with respect for due process.

In the event of the death, resignation, compulsory retirement, permanent incapacity or removal of a member of the Board of Trustees, he/she shall be replaced within two months in accordance with the conditions stipulated in the Rules and Regulations. The functions of the new member shall terminate on the date on which the mandate of the member he/she replaced would otherwise have expired.

The members of the Board are required to attend Board meetings in person. In case of impediment, a member may designate another member as proxy in accordance with the conditions stipulated in the Rules and Regulations. No member may act as proxy for more than one other member of the Board.

In the event of repeated absences without valid reason, the members of the Board, other than the members of the Founding Committee and members of the Institutional Partners Committee, may be deemed to have resigned, in accordance with the conditions stipulated in the Rules and Regulations.

3.5. The Government Commissioner

A Government Commissioner, appointed by the Minister of the Interior after consultation with the Minister of Higher Education and Research, attends Board meetings in an advisory capacity. The Commissioner ensures compliance with the Statutes and the public utility nature of the of the Foundation's activity.

Article 4: Presidency and Board

The Board of Trustees elects from among its members an Executive Board comprising, in addition to the President, a Vice-President, and a Treasurer. The members of the Executive Board are elected for a period of 3 years, renewable, within the limit of the duration of their mandate as member of the Board of Trustees.

The members of the Executive Board can be dismissed, collectively or individually, on just grounds, by the Board of Trustees, with respect for due process.

Article 5: Meetings of the Board of Trustees and of the Executive Board

The Board of Trustees meets at least twice a year.

It meets at the request of the President, a quarter of its members, or of the Government Commissioner.

It deliberates on the issues put on the agenda by the President and any issues whose inclusion on the agenda is requested by at least three of its members or by the Government Commissioner.

The presence of a majority of the current members of the Board of Trustees is required for the validity of the proceedings. If the quorum is not reached, a new meeting shall be convened in accordance with the conditions stipulated in the Rules and Regulations. The Board may then validly deliberate if at least one third of the current members are present.

Among those deemed to be present, in the sense of the preceding paragraph, are any members who participate in the meeting by means of videoconference or telecommunication enabling their identification, in accordance with the conditions stipulated in Articles R225-61, R225-97, and R225-98 of the *Code de Commerce*.

Subject to the provisions of Articles 15 and 16, the decisions of the Board taken by simple majority of votes cast. In the event of an equal vote, the President has a casting vote.

In the event of any decision being deemed contrary to the Statutes, the Rules and Regulations, or the laws and regulations in force, the Government Commissioner may request reconsideration. In this case, the Board of Trustees shall act by a simple majority of the current members, whether present or represented by proxy.

Minutes shall be taken at all meetings, and subsequently signed by the President and one other member of the Executive Board.

Officials paid by the Foundation or any other person whose opinion is deemed useful may be called upon by the President to attend meetings of the Board of Trustees in an advisory capacity.

The members, as well as any person invited to attend meetings of the Board of Trustees, are bound to secrecy regarding information of a confidential nature and given as such by the President of the Board of Trustees. This requirement applies to all members of the committees established by the Board of Trustees.

The Executive Board meets at least four times a year, when convened by its President.

Article 6: Reimbursement of expenses incurred by members of the Board of Trustees

The functions of Board of Trustees and Executive Board members are provided free of charge. Only reimbursement of expenses is possible, upon presentation of receipts, in accordance with the conditions stipulated by the Board of Trustees and the means defined in the Rules and Regulations.

III – RESPONSIBILITIES

Article 7: Responsibilities of the Board of Trustees

The Board of Trustees, through its deliberations, regulates the affairs of the Foundation, and in particular:

- 1: It fixes the Foundation's programme of action;
- 2: It adopts the report with which it is presented annually by the Executive Board on the moral and financial situation of the establishment;
- 3: It votes, upon proposal by the Executive Board, the budget and any modifications to it, as well as projections as regards staffing;
- 4: It receives, discusses and approves the accounts for the year ended, with which it is presented by the Treasurer with supporting documentation;
- 5: It adopts, upon proposal by the Executive Board, the Rules and Regulations;
- 6: It accepts donations and bequests and authorises, outside of day-to-day management, the acquisition and disposal of property and assets, markets, leases and rental agreements, creation of mortgages and loans, and any bonds and guarantees issued on behalf of the Foundation;
- 7: It appoints one or more auditors chosen from the list referred to in Article L.822-1 of the *Code de Commerce*;
- 8: It fixes the conditions of recruitment and remuneration of staff;
- 9: It is kept informed by the President of any proposed agreement committing the Foundation;
- 10: It acts on the report with which it is presented by the auditor(s) on any agreement made directly or through a third party intermediary between the Foundation and one of its members in accordance with the provisions of Article L. 612-5 of the *Code de Commerce*, in which case, it is pronounced without the presence of the person concerned.

The Board of Trustees may create one or more committees to assist in all activities carried out by the Foundation, including a scientific committee. Their skills, organization and operating rules are stipulated in the Rules and Regulations.

The Board of Trustees may grant to the Executive Board, within a pre-determined amount, a permanent delegation for the sale and acquisition of property and assets, the establishment of common partnership agreements, recruitment required for operation of the Foundation, as well as for the acceptance of donations and bequests, with it being left to the latter to report to it on this at the next meeting of the Board of Trustees.

The Board of Trustees may delegate some of its powers relating to day-to-day management of the Foundation to the Executive Board, the President, Treasurer or one of the committees mentioned above, in accordance with the conditions and limits stipulated in the Rules and Regulations.

Article 8: The Executive Board

The Executive Board looks into all matters submitted to the Board of Trustees and provides for the execution of its proceedings in accordance with the Rules and Regulations.

The President represents the Foundation in all civil acts. It authorises expenditure. It may delegate in accordance with the conditions stipulated in the Rules and Regulations.

The President can be represented in court only by a proxy acting under a special power of attorney. However, the President may grant the Director a general power of attorney to represent the Foundation in disputes affecting the day-to-day management, in accordance with the conditions stipulated in the Rules and Regulations.

The Treasurer collects revenues and pays expenses.

Representatives of the Foundation must enjoy the full exercise of their civil rights.

Article 9: The Director

After consultation with the Board of Trustees, the President shall appoint the Director of the Foundation. The President terminates the functions of the Director in the same conditions.

The Director of the Foundation manages the services of the Foundation and ensures its operation. The Director has the necessary powers for the exercise of his/her mission, delegated by the President. The Director is entitled by right to attend, in an advisory capacity, the meetings of the Board of Trustees and of the Executive Board.

Article 10: Administrative approval

With the exception of operations concerning the day-to-day management of the funds making up its endowment, the decisions taken by the Board of Trustees relating to the transfer of property and assets making up its endowment shall be effective only after administrative approval. The same shall apply to the decisions of the Board of Trustees concerning mortgages or loans.

The acceptance of donations and bequests by resolution of the Board of Trustees shall take effect as provided by Article 910 of the Civil Code.

IV – ENDOWMENT AND RESOURCES

Article 11: Endowment

The initial endowment consists of 1.185 million euros (€ 1,185,000), composed of:

- One million euros (€ 1,000,000) from the sale of the portfolio of securities of the ESCP Europe Foundation, foundation under the aegis of the *Fondation de France*;
- And a sum of one hundred and eighty-five thousand euros (€ 185,000) provided by the founders of the Foundation, as follows:
 - (€ 10,000) paid by Madame Patricia Barbizet, according to the following schedule:
 - € 2,000 within two months following publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
 - Then, for the next four years, € 2,000 per year, on the anniversary date of publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
 - (€17,000) paid by Monsieur Patrick Gounelle, according to the following schedule:
 - € 3,500 within two months following publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
 - Then, for the next three years, €3,500 per year, on the anniversary date of publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
 - And € 3,000 the fourth year, on the anniversary date of publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
 - (€ 15,000) paid by Monsieur Pierre Guénant, according to the following schedule:
 - € 3,000 within two months following publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
 - Then, for the next four years, € 3,000 per year, on the anniversary date of publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
 - (€ 10,000) paid by Monsieur Dominique Illien, according to the following schedule:
 - € 2,000 within two months following publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
 - Then, for the next four years, € 2,000 per year, on the anniversary date of publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
 - (€ 20,000) paid by Monsieur Jean-Marc Janodet, paid within two months following publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
 - (€ 10,000) paid by Monsieur François Kayat, according to the following schedule:
 - € 2,000 within two months following publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
 - Then, for the next four years, € 2,000 per year, on the anniversary date of publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;

- (€ 18,000) paid by Monsieur Francis Lang, paid within two months following publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
- (€ 10,000) paid by Monsieur Pascal Macioce, according to the following schedule:
 - € 2,000 within two months following publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
 - Then, for the next four years, € 2,000 per year, on the anniversary date of publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
- (€ 25,000) paid by Monsieur Xavier Marin, according to the following schedule:
 - € 5,000 within two months following publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
 - Then, for the next four years, € 5,000 per year, on the anniversary date of publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
- (€ 10,000) paid by Monsieur Christian Mouillon, according to the following schedule:
 - € 2,000 within two months following publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
 - Then, for the next four years, € 2,000 per year, on the anniversary date of publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
- (€ 10,000) paid by Monsieur Alexandre Pebereau, according to the following schedule:
 - € 2,000 within two months following publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
 - Then, for the next four years, € 2,000 per year, on the anniversary date of publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
- (€ 20,000) paid by Monsieur Bernard Poussot, according to the following schedule:
 - € 4,000 within two months following publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
 - Then, for the next four years, € 4,000 per year, on the anniversary date of publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
- (€ 10,000) paid by Monsieur Edouard Salustro, according to the following schedule:
 - € 2,000 within two months following publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;
 - Then, for the next four years, € 2,000 per year, on the anniversary date of publication in the *Journal Officiel* of the order granting recognition of the public utility of the Foundation;

The endowment may be increased by the product of donations whose capitalisation has been decided and a fraction of the amount of annual income needed to maintain its value. It may be increased in absolute terms by decision of the Board of Trustees.

Article 12: Investment of the endowment funds

The endowment funds are invested in stocks and shares, quoted or not on an official French or foreign stock exchange, negotiable debt instruments, fungible Treasury bonds, or in buildings required for the aim of the Foundation or in leased properties.

Article 13: Resources of the Foundation

The annual resources of the Foundation consist of:

- 1: the payments made by the founders;
- 2: the revenues from the endowment;
- 3: any subsidies that it may be granted;
- 4: the revenues from liberalities;
- 5: the revenues from funds provided on an exceptional basis and, as the case may be, with the approval of the competent authority;
- 6: the revenues from sales and fees received for services rendered.

Within the six months following the end of each accounting year, fixed on 31 December of each year, the Foundation shall draw up the annual accounts certified by a financial auditor in conformity with Regulation 2009-01 of 3 December 2009 of the Accounting Regulatory Committee relating to the procedures applicable to Foundations and Endowment funds, approved by the interministerial decree of 29 December 2009.

V – MODIFICATION OF THE STATUTES AND DISSOLUTION

Article 14: Amendments to the statutes

The present statutes can be amended only after deliberation by the Board of Trustees on two occasions at least two months apart and with a majority of two-thirds of current members.

However, deliberation on only one occasion suffices if the modification is decided upon unanimously by the current members.

Article 15: Dissolution of the Foundation

The Foundation can be dissolved:

- In the event of the removal of recognition of public utility;
- Or upon decision of the Board of Trustees taken in accordance with the conditions stipulated in Article 14;
- Or if the payments referred to in Article 13 are not made in accordance with the schedule in the same article.

The Board of Trustees then appoints one or more auditors that it entrusts with the task of liquidating the assets of the Foundation and to which it confers all the powers necessary to complete this task. The Board of Trustees transfers the net assets to one or more similar establishments, public or recognised as of public utility, or to one or more establishments referred to in Paragraph 5 of Article 6 of the amended Act of 1 July 1901.

These decisions are forwarded without delay to the Minister of the Interior and to the Minister of Higher Education and Research, and to the Government Commissioner.

Should the board not have taken the required decisions, a decree will be enacted for this purpose. The holders of funds, stocks and shares and records belonging to the Foundation shall be placed under the responsibility of the auditor appointed by the said decree.

Article 16: Approval of the Government

The decisions of the Board of Trustees referred to in Articles 14 and 15 of these statutes shall only be valid once they are approved by the Government.

VI – VERIFICATION AND RULES AND REGULATIONS

Article 17: Verification

The annual rapport, projected budget, and accounting records referred to in Article 13 of these statutes shall be sent each year to the Prefect of the department of the Foundation's headquarters, to the Minister of the Interior and the Minister of Higher Education and Research.

Both the Minister of the Interior and the Minister of Higher Education and Research have the right to arrange for their delegates to visit the various services reporting to the Foundation and to appraise their functioning.

In particular, they can appoint the Government Commissioner for this.

Article 18: Rules and Regulations

The Rules and Regulations, which specify the procedures for the application of these statutes, shall be adopted by the Board of Trustees upon proposal by the Executive Board, with a majority of two-thirds of the members being present or represented.

They shall come into force only after approval by the Minister of the Interior. Any amendments shall be made under the same conditions.

The Rules and Regulations shall be sent to the Prefecture of the department of the Foundation's headquarters.

Drawn up in Paris, 22 December 2011

Madame Patricia Barbizet
Monsieur Patrick Gounelle
Monsieur Pierre Guénant
Monsieur Dominique Illien
Monsieur Jean-Marc Janodet
Monsieur François Kayat
Monsieur Francis Lang
Monsieur Pascal Macioce
Monsieur Xavier Marin
Monsieur Christian Mouillon
Monsieur Alexandre Pébereau
Monsieur Bernard Poussot
Monsieur Edouard Salustro

Monsieur Philippe Lagayette
President of the *Fondation de France*