

Adopted by General Assembly 13 June 2014

STATUTES OF COSMETICS EUROPE AISBL

Article 4 - Categories of members and rights and obligations of members

1) Cosmetics Europe shall be made up of five categories of members:

- (i) Active Corporate Members;
- (ii) Supporting Corporate Members;
- (iii) Active Association Members;
- (iv) Supporting Association Members;
- (v) Correspondent Members.

Members which cease to meet the membership requirements mentioned hereafter shall immediately have to notify it to the Director-General.

The quality of member of Cosmetics Europe is personal and may not be assigned to a third party.

The minimum number of members of Cosmetics Europe cannot be less than two.

If two or more members merge or if a member acquires sole control of another member, the absorbed/acquired member shall cease to be a member of Cosmetics Europe on the date on which the merger or acquisition is completed; the merger or acquisition shall be deemed to have been completed for the purposes of these Statutes when the transfer of control bringing about the merger or acquisition has been completed under the terms of the agreements between the parties concerned. Notwithstanding the above, the merged or acquired member shall remain liable for all its financial obligations vis-à-vis Cosmetics Europe until the end of the financial year in the course of which the merger or acquisition has been completed.

2) Can be admitted as **Active Corporate Member**

Companies that:

- (i) are operationally active in the Cosmetics Industry either directly or through affiliated companies in at least 1/5th of the countries represented at Cosmetics Europe's General Assembly;
- (ii) are members of at least 4/5th of the Active Associations Members in all countries where they have an Operating Business (either selling or manufacturing); for the purposes of the present Statutes, the term "Operating Business" means a business owned or controlled by a company or by one of its affiliates, with established manpower and premises that sell, distribute and/or manufacture its own brands of Cosmetic Products; for the purposes of the present Statutes, the term "Cosmetic Products" has the same meaning as the meaning described under article 2 1. (a) of the Regulation (EC) No 1223/2009 of the European Parliament and of the Council of 30 November 2009 on cosmetic products, as subsequently amended;

- (iii) have a legal status and are legally established in accordance with the laws and customs of their country of origin;
- (iv) are engaged and committed to active participation in the goals and objectives of Cosmetics Europe.

Without prejudice to Article 8, the Active Corporate Members:

- (i) have the right to a seat at the Board;
- (ii) have a voting right in accordance with the rules laid down in the Internal Rules;
- (iii) have the right to be a member of the Corporate College, to attend, take part and vote in all meetings of the Corporate College, in accordance with Articles 5 and 11;
- (iv) have the right to attend and take part to all Working Groups of Cosmetics Europe, as provided under Article 19 and in accordance with the rules laid down in the Internal Rules;
- (v) have the obligation to contribute to the financing of Cosmetics Europe in accordance with the rules laid down in the Statutes and the Internal Rules;
- (vi) shall, as appropriate in the context of their relevant activities, provide fair and collaborative consideration to Cosmetics Europe's agreed decisions and strategies.

3) Can be admitted as **Supporting Corporate Member**:

Companies that:

- (i) are operationally active in the Cosmetics Industry either directly or through affiliated companies in at least one country that is a member of the European Union or of the European Free Trade area;
- (ii) are members of at least 4/5th of the Active Associations Members in the country(ies) where they have an Operating Business (either selling or manufacturing); for the purposes of the present Statutes, the term "Operating Business" means a business owned or controlled by a company or by one of its affiliates, with established manpower and premises that sell, distribute and/or manufacture its own brands of Cosmetic Products; for the purposes of the present Statutes, the term "Cosmetic Products" has the same meaning as the meaning described under article 2 1. (a) of the Regulation (EC) No 1223/2009 of the European Parliament and of the Council of 30 November 2009 on cosmetic products, as subsequently amended;
- (iii) have a legal status and are legally established in accordance with the laws and customs of their country of origin;
- (iv) are engaged and committed to active participation in the goals and objectives of Cosmetics Europe.

Without prejudice to Article 8, the Supporting Corporate Members:

- (i) have collegially the right to two seats maximum at the Board;
- (ii) have a voting right in accordance with the rules laid down in the Internal Rules;
- (iii) have the right to be a member of the Corporate College, to attend, take part and vote in all meetings of the Corporate College, in accordance with Articles 5 and 11;

- (iv) have the right to attend and take part to all Working Groups of Cosmetics Europe, as provided under Article 19 and in accordance with the rules laid down in the Internal Rules;
- (v) have the obligation to contribute to the financing of Cosmetics Europe in accordance with the rules laid down in the Statutes and the Internal Rules;
- (vi) shall, as appropriate in the context of their relevant activities, provide fair and collaborative consideration to Cosmetics Europe's agreed decisions and strategies.

4) Companies that are operationally active in the Cosmetics Industry either directly or through affiliated companies in a country that is a member of the European Union or of the European Free Trade Area that meet also the other admission criteria for membership, have the freedom to opt for the Corporate Membership of their choice. Nevertheless, a shift of Corporate Membership category must be submitted to the General Assembly for entry into force on 1 January of the following financial year. All subscription fees and other financial obligations in the previous category remain due until the date of coming into force of the shift of membership category.

5) Can be admitted as **Active Association Member**:

Associations, organizations, institutions or other bodies (hereinafter the "Associations"), representative of the Cosmetics Industry in the countries that are members of the European Union or of the European Free Trade Association, provided that these Associations (i) have a legal status and are legally established according to the laws and customs of their country of origin and (ii) are engaged and committed to active participation in the goals and objectives of Cosmetics Europe.

Several Associations per country can be admitted as Active Association Member, provided the Association is representative. For the purpose of the present Statutes, an Association will be considered as "representative" if it reports, for the last financial year, an aggregate market share for its own members of at least 40%, calculated in accordance with the provisions of the Internal Rules.

Without prejudice to Article 8, the Active Association Members:

- (i) have collegially the right to eight seats at the Board; this number of seats may be adapted in accordance with the rules set forth in article 13.1 of the Statutes
- (ii) have a voting right in accordance with the rules laid down in the Internal Rules;
- (iii) have the right to be a member of the Associations College, to attend, take part and vote in all meetings of the Associations College, in accordance with Articles 5 and 11;
- (iv) have the right to attend and take part in all Working Groups of Cosmetics Europe, as provided under Article 19 and in accordance with the rules laid down in the Internal Rules;
- (v) have the obligation to contribute to the financing of Cosmetics Europe in accordance with the rules laid down in the Statutes and the Internal Rules;
- (vi) shall, as appropriate in the context of their relevant activities, provide fair and collaborative consideration to Cosmetics Europe's agreed decisions and strategies.

6) Can be admitted as **Supporting Association Member**:

Associations, organizations, institutions or other bodies (hereinafter the "Associations") representative of the Cosmetics Industry in the countries that are members of the Council of Europe (not being members of the European Union or European Free Trade Area), provided that:

- (i) these Associations have a legal status and are legally established according to the laws and customs of their country of origin;
- (ii) these Associations do not meet the admission criteria as Active Association Member;
- (iii) the statutes of the Association applying for membership as Supporting Association Member allow for an open membership for all Active and Supporting Corporate Members of Cosmetics Europe;
- (iv) are engaged and committed to active participation in the goals and objectives of Cosmetics Europe.

Several Associations per country can be admitted as Supporting Association Member.

Without prejudice to Article 8, the Supporting Association Members:

- (i) do not have the right to a seat at the Board;
- (ii) do not have a voting right;
- (iii) have the right to be a member of the Associations College and to attend and take part in all meetings of the Associations College, but without voting right, in accordance with Articles 5 and 11;
- (iv) have the right to attend and take part to all Working Groups of Cosmetics Europe, as provided under Article 19 and in accordance with the rules laid down in the Internal Rules;
- (v) have the obligation to contribute to the financing of Cosmetics Europe in accordance with the rules laid down in the Statutes and the Internal Rules;
- (vi) shall, as appropriate in the context of their relevant activities, provide fair and collaborative consideration to Cosmetics Europe's agreed decisions and strategies.

7) Can be admitted as **Correspondent Member**:

Associations, organizations, institutions or other bodies (hereinafter the "Associations") or companies provided that:

- (i) they have an established link with the Cosmetics Industry;
- (ii) they have a legal status and are legally established in accordance with the laws and customs of their country of origin;
- (iii) they do not comply with the admission criteria of any other category of member;
- (iv) in the case of an Association applying for membership as Correspondent Member, the statutes of that Association allow for an open membership for all members of Cosmetics Europe and the application is being supported by the Associations College;
- (v) are engaged and committed to active participation in the goals and objectives of Cosmetics Europe.

The Correspondent Members:

- (i) do not have the right to a seat at the Board;
- (ii) do not have a voting right;
- (iii) do not have the right to be a member of the Corporate College or the Associations College;
- (iv) have the right to attend and take part to all Working Groups of Cosmetics Europe, as provided under Article 19 and in accordance with the rules laid down in the Internal Rules;
- (v) have the obligation to contribute to the financing of Cosmetics Europe in accordance with the rules laid down in the Statutes and the Internal Rules;

- (vi) shall, as appropriate in the context of their relevant activities, provide fair and collaborative consideration to Cosmetics Europe's agreed decisions and strategies.