

Companies Acts 1985 to 2006

Company limited by guarantee

Company number 03419138

MEMORANDUM OF ASSOCIATION

of

THE VEOLIA ENVIRONMENTAL TRUST

Each subscriber to this Memorandum of Association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company.

Name of each subscriber

Mr John Kutner

Dr Eileen Buttle

Mr Edward Jacques Dupont-Madinier

The Lord John Gregson

Professor Andrew Porteous

1. OBJECTS

- 1.1 The **Objects** of the **Charity** are the protection, preservation and improvement of the natural and built environment for the benefit of the public and to advance the education of the public in matters concerning the environment, its conservation and protection PROVIDED THAT, in the case of the application of **Landfill Tax Credits**, the Objects shall be subject to the conditions restrictions and limitations (if any) more specifically set out in the Landfill Tax Regulations 1996 or any statutory re-enactment or modification thereof ("the Regulations").
- 1.2 This provision may be amended by **special resolution** but only with the prior written consent of the **Commission**.

2. POWERS

The Charity has the following powers, which may be exercised only in promoting the Objects:

- 2.1 to reclaim, remediate, restore or to undertake any other operation in respect of land to provide, maintain or improve public parks or other public amenities to provide, conserve, restore or enhance natural habitats, or species living in natural habitats, on land or in water;
- 2.2 to maintain, repair or restore buildings, or other structures, which are places of religious worship, or of historical or architectural interest;
- 2.3 to provide advice or information;
- 2.4 to cooperate with other bodies;
- 2.5 to support, administer or set up other charities;
- 2.6 to accept gifts and to raise funds (but not by means of **taxable trading**);
- 2.7 to borrow money;
- 2.8 to give security for loans or other obligations (but only in accordance with the restrictions imposed by the **Charities Act**);
- 2.9 to acquire or hire property of any kind;
- 2.10 to let or dispose of property of any kind (but only in accordance with the restrictions imposed by the Charities Act);
- 2.11 to set aside funds for special purposes or as reserves against future expenditure;
- 2.12 to deposit or invest its funds in any manner;
- 2.13 to deposit documents and physical assets with any company registered or having a place of business in England or Wales as **custodian**, and to pay any reasonable fee required;

- 2.14 to insure the property of the Charity against any foreseeable risk and take out other insurance policies to protect the Charity when required;
- 2.15 subject to Article 6.3, to employ paid or unpaid agents, staff or advisers;
- 2.16 to enter into contracts to provide services to or on behalf of other bodies;
- 2.17 to establish or acquire subsidiary companies; and
- 2.18 to do anything else within the law which promotes or helps to promote the Objects.

3. THE TRUSTEES

- 3.1 The Trustees as **charity trustees** have control of the Charity and its property and funds.
- 3.2 The Trustees as at the date immediately prior to the Adoption Date shall continue to be Trustees from the Adoption Date and their first term of office for the purpose of Article 3.8 shall be deemed to have commenced on the date of their actual appointment.
- 3.3 Subject to Article 3.2, the Trustees shall be:
 - 3.3.1 up to 4 Trustees appointed by Veolia ("Veolia Appointed Trustees");
 - 3.3.2 up to 7 Trustees selected for their experience and expertise; and
 - 3.3.3 the **Chair** appointed under Article 5.2;

provided that the number of Trustees who are also employed by Veolia or an **Associated Organisation** shall always constitute at least one third, but shall never constitute more than a minority, of the total number of Trustees.

- 3.4 The Trustees when complete shall consist of at least three individuals over the age of 18, all of whom must support the Objects and shall not be subject to any maximum except by resolution of the Trustees.
- 3.5 A Trustee may not act as a Trustee unless they:
 - 3.5.1 are a Member; and
 - 3.5.2 have signed a written declaration of willingness to act as a charity trustee of the Charity.
- 3.6 Subject to Article 3.8, a Trustee shall hold office for a term of three years from the date of their appointment.
- 3.7 A Veolia-appointed Trustee shall not be subject to the nine years limit of Article 3.8.
- 3.8 A retiring Trustee who is eligible under Article 3.4 may be reappointed for consecutive periods not exceeding in aggregate nine years from the date of their original appointment

but thereafter a Trustee shall not be eligible for re-appointment until one year after their retirement.

3.9 A Trustee's term of office as such automatically terminates if they:

- 3.9.1 are disqualified under the Charities Act from acting as a charity trustee;
- 3.9.2 are incapable, whether mentally or physically, of managing his/her own affairs;
- 3.9.3 are absent without permission from three consecutive meetings of the Trustees;
- 3.9.4 resigns by written notice to the Trustees (but only if at least two Trustees will remain in office);
- 3.9.5 are removed by the Members at a general meeting under the Companies Act;
- 3.9.6 in the case of a Veolia Appointed Trustee, are removed by Veolia;
- 3.9.7 in the case of the Chair, ceases to be the Chair.

3.10 A technical defect in the appointment of a Trustee of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

4. TRUSTEES' PROCEEDINGS

4.1 The Trustees must hold at least three meetings each year.

4.2 A quorum at a meeting of the Trustees is at least three Trustees provided that there must be at least one Veolia Appointed Trustee and a majority of Trustees who are not employees of Veolia or an Associated Organisation.

4.3 If a quorum is not present then the meeting shall be rescheduled. If the original meeting was not quorate because a Veolia Appointed Trustee was not present, then a quorum at the rescheduled meeting shall be as detailed in Article 4.2 save that there shall be no requirement for a Veolia Appointed Trustee to be present.

4.4 A meeting of the Trustees may be held either in person or by suitable **electronic means** agreed by the Trustees in which all participants may communicate with all the other participants. At least one meeting in each year must be held in person unless prevented by exceptional circumstances.

4.5 The Chair or (if the Chair is unable or unwilling to do so) some other Trustee chosen by the Trustees present presides at each meeting.

4.6 Any issue may be determined by a simple majority of the votes cast at a meeting, but a resolution **in writing** agreed by all the Trustees (other than any **Conflicted Trustee** who has not been authorised to vote) is as valid as a resolution passed at a meeting. For this purpose the resolution may be contained in more than one document.

- 4.7 Every Trustee has one vote on each issue but, in case of equality of votes, the Chair of the meeting has a second or casting vote.
- 4.8 A procedural defect of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

5. TRUSTEES' POWERS

The Trustees have the following powers in the administration of the Charity in their capacity as Trustees:

- 5.1 to appoint (and remove) any person (who may be a Trustee) to act as **Secretary** in accordance with the **Companies Act**;
- 5.2 to appoint (and remove) a Chair provided that:
- 5.2.1 such person may not be an employee of Veolia or an Associated Organisation;
 - 5.2.2 the Trustees shall have regard to (but shall not, for the avoidance of doubt, be bound by) the written views of Veolia as to the suitability of any person to act as Chair; and
 - 5.2.3 the Chair shall cease to be the Chair if they cease to be a Trustee;
- 5.3 to appoint a Treasurer and other honorary officers from among their number;
- 5.4 to delegate any of their functions to committees consisting of three or more individuals appointed by them. At least three members of every committee must be Trustees and all proceedings of committees must be reported promptly to the Trustees
- 5.5 to make standing orders consistent with the **Memorandum**, the **Articles** and the Companies Act to govern proceedings at general meetings;
- 5.6 to make rules consistent with the Memorandum, the Articles and the Companies Act to govern their proceedings and proceedings of committees;
- 5.7 to make regulations consistent with the Memorandum, the Articles and the Companies Act to govern the administration of the Charity and the use of its seal (if any)
- 5.8 to establish procedures to assist the resolution of disputes or differences within the Charity; and
- 5.9 to exercise in their capacity as Trustees any powers of the Charity which are not reserved to them in their capacity as Members.

6. BENEFITS AND CONFLICTS

- 6.1 The property and funds of the Charity must be used only for promoting the Objects and do not belong to the Members but, subject to compliance with Article 6.4:

- 6.1.1 Members (being Trustees) and Connected Persons may be paid interest at a reasonable rate on money lent to the Charity;
 - 6.1.2 Members (being Trustees) and Connected Persons may be paid a reasonable rent or hiring fee for property let or hired to the Charity; and
 - 6.1.3 Members (being Trustees) and Connected Persons may receive charitable benefits on the same terms as any other members of the beneficial class.
- 6.2 A Trustee must not receive any payment of money or other **material benefit** (whether directly or indirectly) from the Charity except:
- 6.2.1 as mentioned in Articles 6.1 or 6.3;
 - 6.2.2 reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) actually incurred in running the Charity;
 - 6.2.3 the benefit of indemnity insurance as permitted by the Charities Act;
 - 6.2.4 an indemnity in respect of any liabilities properly incurred in running the Charity (including the costs of a successful defence to criminal proceedings);
 - 6.2.5 in exceptional cases, other payments or benefits (but only with the written consent of the Commission in advance and where required by the Companies Act the approval or affirmation of the Members).
- 6.3 No Trustee or Connected Person may be employed by the Charity except in accordance with Article 6.2.5, but any Trustee or Connected Person may enter into a written contract with the Charity, as permitted by the Charities Act, to supply goods or services in return for a payment or other material benefit but only if:
- 6.3.1 the goods or services are actually required by the Charity, and the Trustees decide that it is in the best interests of the Charity to enter into such a contract;
 - 6.3.2 the nature and level of the remuneration is no more than is reasonable in relation to the value of the goods or services and is set in accordance with the procedure in Article 6.4; and
 - 6.3.3 no more than half of the Trustees are subject to such a contract in any financial year.
- 6.4 Subject to Article 6.5, any Trustee who becomes a Conflicted Trustee in relation to any matter must:
- 6.4.1 declare the nature and extent of their interest before discussion begins on the matter;

- 6.4.2 withdraw from the meeting for that item after providing any information requested by the Trustees;
 - 6.4.3 not be counted in the quorum for that part of the meeting; and
 - 6.4.4 be absent during the vote and have no vote on the matter.
- 6.5 When any Trustee is a Conflicted Trustee, the Trustees who are not Conflicted Trustees, if they form a quorum without counting the Conflicted Trustee and are satisfied that it is in the best interests of the Charity to do so, may by resolution passed in the absence of the Conflicted Trustee authorise the Conflicted Trustee, notwithstanding any conflict of interest or duty which has arisen or may arise for the Conflicted Trustee, to:
- 6.5.1 continue to participate in discussions leading to the making of a decision and/or to vote, or
 - 6.5.2 disclose to a third party information confidential to the Charity, or
 - 6.5.3 take any other action not otherwise authorised which does not involve the receipt by the Conflicted Trustee or a Connected Person of any payment or material benefit from the Charity, or
 - 6.5.4 refrain from taking any step required to remove the conflict.
- 6.6 This Article may be amended by special resolution but, where the result would be to permit any material benefit to a Trustee or Connected Person, only with the prior written consent of the Commission.

7. RECORDS AND ACCOUNTS

- 7.1 The Trustees must comply with the requirements of the Companies Act and of the Charities Act as to keeping records, the audit or independent examination of accounts and the preparation and transmission to the Registrar of Companies and the Commission of information required by law including:
- 7.1.1 annual returns;
 - 7.1.2 annual reports; and
 - 7.1.3 annual statements of account.
- 7.2 The Trustees must also keep records of:
- 7.2.1 all proceedings at meetings of the Trustees;
 - 7.2.2 all resolutions in writing;
 - 7.2.3 all reports of committees and Panels; and
 - 7.2.4 all professional advice obtained.

- 7.3 Accounting records relating to the Charity must be made available for inspection by any Trustee at any time during normal office hours and may be made available for inspection by Members who are not Trustees if the Trustees so decide.
- 7.4 A copy of the Charity's **constitution** and latest available statement of account must be supplied on request to any Trustee. Copies of the latest accounts must also be supplied in accordance with the Charities Act to any other person who makes a written request and pays the Charity's reasonable costs.

8. MEMBERSHIP

- 8.1 The Charity must maintain a register of Members.
- 8.2 **Membership** is open only to the Trustees and is terminated if the Member concerned ceases to be a **Trustee**.
- 8.3 The form and the procedure for applying for Membership is to be prescribed by the Trustees.
- 8.4 Membership is not transferable.

9. GENERAL MEETINGS

- 9.1 Trustees in their capacity as Members are entitled to attend general meetings in person or by proxy (but only if the appointment of a proxy is in writing and notified to the Charity before the commencement of the meeting).
- 9.2 General meetings are called on at least 7 and not more than 28 **clear days'** written notice indicating the business to be discussed and (if a special resolution is to be proposed) setting out the terms of the proposed special resolution.
- 9.3 There is a quorum at a general meeting if the number of Members present in person or by proxy is at least three.
- 9.4 The Chair at a general meeting is elected by the Members present in person or by proxy in their capacity as a Member and not as proxy for another Member.
- 9.5 Except where otherwise provided by the Articles or the Companies Act, every issue is decided by **ordinary resolution**.
- 9.6 Every Member present in person or by proxy has one vote on each issue. In the case of an equality of votes the Chair shall have a second or casting vote.
- 9.7 Except where otherwise provided by the Articles or the Companies Act, a written resolution (whether an ordinary or a special resolution) is as valid as an equivalent resolution passed at a general meeting. For this purpose the written resolution may be set out in more than one document.

- 9.8 The Charity must hold an AGM in every year.
- 9.9 Members being Trustees must annually:
- 9.9.1 receive the accounts of the Charity for the previous financial year;
 - 9.9.2 receive a written report on the Charity's activities;
 - 9.9.3 be informed of the retirement of those Trustees who wish to retire or who are retiring by rotation;
 - 9.9.4 elect Trustees to fill the vacancies arising;
 - 9.9.5 appoint reporting accountants or auditors for the Charity;
- 9.10 Members may also from time to time:
- 9.10.1 confer on any individual (with his/her consent) the honorary title of Patron, President or Vice-President of the Charity; and
 - 9.10.2 discuss and determine any issues of policy or deal with any other business put before them by the Trustees.
- 9.11 A general meeting may be called by the Trustees at any time and must be called within 21 days of a written request from one or more Trustees (being Members), who in aggregate represent at least 5% of all the Members having a right to vote at general meetings.
- 9.12 A technical defect in the appointment of a Member of which the Members are unaware at the time does not invalidate a decision taken at a general meeting or a Written Resolution.

10. CORPORATE MEMBERSHIP

- 10.1 **Veolia** shall be the corporate member.
- 10.2 For the avoidance of doubt, the corporate member is neither a Member nor a Trustee and as such has no right to attend board meetings and general meetings, unless expressly invited to do so, and has no vote on matters being considered by the Members or the Trustees.
- 10.3 The role of the corporate member is to correspond and discuss matters with the Trustees to ensure that the reputation and goodwill of the corporate member or its ability to claim a tax credit under the Landfill Tax Regulations 1996 is not adversely affected by the activities of the Charity or the Trustees.
- 10.4 The corporate member may at any time in writing acting reasonably notify the Trustees of its views, ask questions or make requests of the Trustees concerning the operation of the Charity.

- 10.5 Where the corporate member expresses its views, asks a question or makes a request to the Trustees in accordance with Article 10.4, then the Trustees shall be obliged to consider any decision or course of action in light of any such view. The Trustees shall not be obliged to act in accordance with the views of the corporate member but shall provide a response in writing to the corporate member which shall include, if appropriate, answers to any queries raised and reasons as to why the corporate member's view or request has not been complied with.
- 10.6 A resolution to change the name of the Charity shall only be valid if the consent of the Corporate Member, in writing, is obtained in advance of the resolution being passed.
- 10.7 The Corporate Member shall have the power to direct that the Charity should cease to use the Corporate Member's name within the Charity's name.
- 10.8 Where the Corporate Member changes its own name, it shall have the power to direct that the Charity shall change its name to incorporate the Corporate Member's changed name.
- 10.9 Where the Corporate Member makes a direction in writing to the Trustees under Article 10.7 or 10.8, the Trustees shall ensure that the Charity's name is changed as soon as reasonably possible.

11. LIMITED LIABILITY

- 11.1 The liability of Members is limited.

12. GUARANTEE

- 12.1 Every Member promises, if the Charity is dissolved while they remain a Member or within one year after they cease to be a member, to pay up to £1 towards:
- 12.1.1 payment of those debts and liabilities of the Charity incurred before they ceased to be a Member;
 - 12.1.2 payment of the costs, charges and expenses of winding up; and
 - 12.1.3 the adjustment of rights of contributors among themselves.

13. COMMUNICATIONS

- 13.1 Notices and other documents to be served on Members or Trustees under the Articles or the Companies Act may be served:
- 13.1.1 by hand;
 - 13.1.2 by post;
 - 13.1.3 by suitable electronic means; or

13.1.4 through publication in the Charity's newsletter or on the Charity's website.

13.2 The only address at which a Member is entitled to receive notices sent by post is an address in the United Kingdom shown in the register of Members.

13.3 Any notice given in accordance with these Articles is to be treated for all purposes as having been received:

13.3.1 24 hours after being sent by electronic means, posted on the Charity's website or delivered by hand to the relevant address;

13.3.2 two clear days after being sent by first class post to that address;

13.3.3 three clear days after being sent by second class or overseas post to that address;

13.3.4 immediately on being handed to the recipient personally; or, if earlier,

13.3.5 as soon as the recipient acknowledges actual receipt.

13.4 A technical defect in service of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

14. INDEMNITY

14.1 The Charity shall indemnify every Trustee against any liability incurred in successfully defending legal proceedings in that capacity, or in connection with any application in which relief is granted by the Court from liability for negligence, default, or breach of duty or breach of trust in relation to the Charity.

14.2 In this Article, "Trustee" means any Trustee or former Trustee of the Charity.

14.3 The Charity may indemnify an auditor against any liability incurred by them:

14.3.1 in defending proceedings (whether civil or criminal) in which judgement is given in their favour or they are acquitted; or

14.3.2 in connection with an application under section 1157 of the Companies Act (power of Court to grant relief in case of honest and reasonable conduct) in which relief is granted to them or it by the Court.

15. DISSOLUTION

15.1 If the Charity is dissolved, the assets (if any) remaining after providing for all its liabilities must be applied in one or more of the following ways:

15.1.1 by transfer to one or more other bodies established for exclusively charitable purposes within, the same as or similar to the Objects;

15.1.2 directly for the Objects or for charitable purposes which are within or similar to the Objects;

15.1.3 in such other manner consistent with charitable status as the Commission approves in writing in advance.

15.2 A final report and statement of account must be sent to the Commission.

15.3 This provision may be amended by special resolution but only with the prior written consent of the Commission.

16. AVOIDING LOCAL AUTHORITY CONTROL

16.1 No local authority body corporate controlled by one or more local authorities or a person registered under section 47 Finance Act 1996 shall (either directly or indirectly)

16.2 control a majority of votes in the Charity, have the right to appoint or remove a majority of the Trustees or otherwise control the Charity for the purposes of regulation 33 of the Regulations.

17. INTERPRETATION

17.1 The Articles are to be interpreted without reference to the model articles under the Companies Act, which do not apply to the Charity.

17.2 In the Articles, unless the context indicates another meaning:

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| 'Adoption Date' | means the date that these Articles are adopted as the Charity's governing document by special resolution; |
| 'AGM' | means an annual general meeting of the Charity; |
| 'the Articles' | means the Charity's Articles of Association and 'Article' refers to a particular Article; |
| 'Associated Organisation' | means an organisation in which Veolia: <ul style="list-style-type: none"> a) is itself a director or forms part of a board which has effective control of the organisation; b) has the right to appoint a majority of the directors or persons with control of the organisation; or |

c) has a majority share holding or has a majority of the member voting rights.

‘Chair’

means the Chair of the Trustees;

‘the Charity’

means the company governed by the Articles;

‘the Charities Act’

means the Charities Acts 1992 to 2011;

‘charity trustee’

has the meaning prescribed by the Charities Act;

‘clear day’

does not include the day on which notice is given or the day of the meeting or other event;

‘the Commission’

means the Charity Commission for England and Wales or any body which replaces it;

‘the Companies Act’

means the Companies Acts 1985 to 2006;

‘Conflicted Trustee’

means a Trustee in respect of whom a conflict of interest arises or may reasonably arise because the Conflicted Trustee or a Connected Person is receiving or stands to receive a benefit (other than payment of a premium for indemnity insurance) from the Charity, or has some separate interest or duty in a matter to be decided, or in relation to information which is confidential to the Charity;

‘Connected Person’

means, in relation to a Trustee, a person with whom the Trustee shares a common interest such that they may reasonably be regarded as benefiting directly or indirectly from any material benefit received by that person, being either a member of the Trustee’s family or household or a person or body who is a business associate of the Trustee, and (for the avoidance of doubt) does not include a company with which the Trustee’s only connection is an interest consisting of no more than 1% of the voting rights;

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| 'constitution' | means the Memorandum and the Articles and any special resolutions relating to them; |
| 'corporate member' | means the corporate member of the Charity as defined in Article 10; |
| 'custodian' | means a person or body who undertakes safe custody of assets or of documents or records relating to them; |
| 'electronic means' | refers to communications addressed to specified individuals by telephone, fax or email or, in relation to meetings, by telephone conference call or video conference; |
| 'financial expert' | means an individual, company or firm who is authorised to give investment advice under the Financial Services and Markets Act 2000; |
| 'financial year' | means the Charity's financial year; |
| 'firm' | includes a limited liability partnership; |
| 'indemnity insurance' | means insurance against personal liability incurred by any Trustee for an act or omission which is or is alleged to be a breach of trust or breach of duty, unless the act or omission amounts to a criminal offence or the Trustee concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty; |
| 'Landfill Tax Credits' | means monies which the Charity receives from a landfill operator through the Landfill Communities Fund, or any similar scheme which may replace it; |
| 'material benefit' | means a benefit, direct or indirect, which may not be financial but has a monetary value; |

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| 'Member' and 'Membership' | refer to Membership of the Charity; |
| 'Memorandum' | means the Charity's Memorandum of Association; |
| 'month' | means calendar month; |
| 'nominee company' | means a corporate body registered or having an established place of business in England and Wales which holds title to property for another; |
| 'ordinary resolution' | means a resolution agreed by a simple majority of the Members present and voting at a general meeting or in the case of a written resolution by Members who together hold a simple majority of the voting power. Where applicable, 'Members' in this definition means a class of Members; |
| 'the Objects' | means the Objects of the Charity as defined in Article 1; |
| 'Resolution in writing' | means a written resolution of the Trustees; |
| 'Secretary' | means a company secretary; |
| 'special resolution' | means a resolution agreed by a 75% majority of the Members present and voting at a general meeting or in the case of a written resolution by Members who together hold 75% of the voting power. Where applicable, 'Members' in this definition means a class of Members; |
| 'taxable trading' | means carrying on a trade or business in such manner or on such a scale that some or all of the profits are subject to corporation tax; |
| 'Trustee' | means a director of the Charity and 'Trustees' means the directors; |
| 'Veolia' | means Veolia Environmental Services (UK) PLC, a company limited by shares with registered |

company number 02215767 whose registered office is at 8th Floor, 210 Pentonville Road, London, N1 9JY;

‘written’ or ‘in writing’

refers to a legible document on paper or a document sent by electronic means which is capable of being printed out on paper;

‘written resolution’

refers to an ordinary resolution or a special resolution which is in writing;

‘year’

means calendar year.

17.3 Expressions not otherwise defined which are defined in the Companies Act have the same meaning.

17.4 References to an Act of Parliament are to that Act as amended or re-enacted from time to time and to any subordinate legislation made under it.