

**CONFEDERATION OF PAPER INDUSTRIES LIMITED**

**BYELAWS**

**Adopted on 17 October 2013**

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## **Preliminary**

- 1.1 All rules made by the directors in accordance with the Articles of Association, and any amendment to them made by CPI Council or Full Members, will be known collectively as the Byelaws.
- 1.2 These Byelaws should be read in conjunction with the Articles of Association of the Company (“the Articles”) and in the event that the provisions of these Byelaws conflict with the Articles, the Articles shall prevail.
- 1.3 Words and expressions defined in the Articles will bear the same meanings in these Byelaws.
- 1.4 Nothing in the Byelaws permits the directors, CPI Council or the Full Members to make any rules that are inconsistent with or affect or repeal anything in the Articles or in any resolution passed by Members or agreement to which Chapter 3 of Part 3 of the Companies Act 2006 applies.

## **Name**

- 2.1 The name of the Company is Confederation of Paper Industries Limited and its abbreviated name is CPI.

## **Role of CPI**

- 3.1 The mission statement of CPI is:  
CPI aims to unify the UK’s Paper-based Industries with a single purpose in promoting paper’s intrinsic value as a renewable and sustainable fibre based material, enhancing competitiveness through seeking to reduce legislative and regulatory impacts and in adding value through spreading best practice.

This it achieves by:

- identifying, analysing, and resolving issues;
- informing Government, the media and the public by presenting the industry’s views in a coherent, consistent and targeted manner.

- 3.2 CPI is working to promote:
  - a positive image for paper
  - secure energy supplies at competitive prices
  - resource efficiency within a coherent waste strategy
  - the benefits of packaging
  - a sustainable UK Paper Industry
  - manufacturing as a vital part of a balanced economy
  - a competitive, level playing field for the UK’s Paper-based Industries

## **Membership of CPI**

- 4.1 Subject to the Articles and Byelaws, a person involved in the Paper Industry may, at the absolute discretion of CPI Council, become a member of CPI on payment of the appropriate membership subscription. All Members agree to be bound by the Articles and Byelaws of CPI.
- 4.2 The conditions of membership of a Full Member, and the rights and privileges of such a member, are set out in the Articles.
- 4.3 The terms on which a member may resign or have their membership terminated are set out in the Articles.

- 4.4 Other than for Full Members, the directors may make such rules regarding the classes and conditions of membership and the rights and privileges of members.
- 4.5 Membership as an Associate Member is available, at the discretion of CPI Council, to any person not eligible for membership as a Full Member but which is otherwise interested in the Paper Industry. An Associate Member shall be entitled to receive publications and other literature prepared by or for CPI, and otherwise is entitled to participate in the affairs and activities of CPI as decided by CPI Council.
- 4.6 An Associate Member is not entitled to participate in the decision making process and governance of CPI. Associate Members are not entitled to vote on the business of CPI.
- 4.7 Membership as an Affiliate Member is available, at the discretion of CPI Council, to any association or recognised body interested in the UK Paper Industry. An Affiliate Member shall be entitled to receive publications and other literature prepared by or for CPI, and otherwise is entitled to participate in the affairs and activities of CPI as decided by CPI Council.
- 4.8 An Affiliate Member is not entitled to participate in the decision making process and governance of CPI. Affiliate Members are not entitled to vote on the business of CPI.
- 4.9 Any Member wishing to resign may do so by giving at least six months' notice in writing to expire on the earlier of 30 June or 31 December next following and shall be liable to pay the proportionate rate of the annual subscription until expiry of the notice. Upon resignation a Member shall cease to have any interest in or claim upon any of the funds of CPI.

#### **CPI Council**

- 5.1 The affairs of CPI shall be governed by the CPI Council which shall comprise -
  - one nominated senior representative from each of the “major” Full Members who are defined as those Full Members, numbering not less than 12, having the highest sales turnovers and in aggregate contribute as close to, but not less than, 80% of CPI’s membership subscription income, plus
  - one additional nominated senior representative from each of those “major” Full Members that operate in more than two of the industry sectors represented by CPI Sector Bodies formed in accordance with clause 14.1, plus
  - one nominated senior representative from each of the CPI Sector Bodies, plus
  - co-opted members, being persons appointed (and removable) by CPI Council from time to time with full regard to the overall interests of Members, plus
  - the CPI Director General.
- 5.2 Sales turnover referred to in clause 5.1 shall be the sales turnover used in calculating the membership subscription, and the membership subscription shall be determined in accordance with paragraph 34.4 of the Articles.
- 5.3 A senior representative from a Full Member shall normally hold the position of Chief Executive, Managing Director or equivalent within their Member organisation. A senior representative from a CPI Sector Body shall be a member of that Sector Body’s own council.
- 5.4 No more than two representatives on CPI Council shall be from the same Full Member.
- 5.5 Each CPI Council member (the “appointer”), with the exception of the CPI Director General, shall propose the appointment of an alternate to exercise that Council member’s powers and carry out their responsibilities in relation to the taking of decisions by CPI Council in the absence of the alternate’s appointer. All proposed

- appointments or removal of alternates must be notified to the CPI Director General. All appointments of alternates shall be approved by CPI Council.
- 5.6 A member of CPI Council shall cease to be a member if he or she resigns, or ceases to be the nominated representative of a Full Member or Sector Body, or has his appointment as a co-opted member terminated by CPI Council, or ceases to be the CPI Director General.
  - 5.7 CPI Council members shall elect a President, Vice President and Treasurer from amongst their number. They shall hold office for a period of two years and shall be eligible for re-election. In the event of the President or Vice President or Treasurer resigning or ceasing to be a member of CPI Council, CPI Council shall elect a replacement to serve for the remainder of the term.
  - 5.8 The President of CPI shall also be the Chairman of CPI Council.
  - 5.9 CPI Council shall meet at least once a year.
  - 5.10 The President or Director General of CPI may call emergency meetings of CPI Council in such circumstances as he shall, in his absolute discretion, consider appropriate.
  - 5.11 The Director General or Company Secretary of CPI shall at any time on the requisition in writing of at least four members of CPI Council, summon a meeting of CPI Council.
  - 5.12 A resolution put to the vote at a meeting of CPI Council shall be decided by a show of hands and passed by a majority of not less than three-quarters of the votes cast by those present. A declaration by the Chairman of the meeting that a resolution had been carried by a particular majority or lost or not carried by a particular majority shall be conclusive evidence thereof.
  - 5.13 Each Full Member and each CPI Sector represented on CPI Council and each co-opted member shall have one vote. The Chairman shall have a second, or casting, vote in the event of equality. For the avoidance of doubt, where a Full Member has two representatives on CPI Council, only one of those representatives shall be entitled to vote on behalf of that Full Member.
  - 5.14 CPI Council members participate, and are present, in a CPI Council meeting when they can communicate to each other any information or opinions they have on any particular item of the business of the meeting. In determining whether CPI Council members are participating and present in a CPI Council meeting, it is irrelevant where any CPI Council member is or how they communicate with each other. If all the CPI Council members participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.
  - 5.15 The quorum for a meeting of CPI Council is:
    - four representatives from amongst the “major” Full Members, plus
  - 5.16 A resolution in writing signed by a majority of not less than three-quarters of all the CPI Council members at the time of the resolution shall be as effective for all purposes as a resolution passed at a meeting of the CPI Council duly convened, held and constituted, and notwithstanding that such resolution be signed at different places or times. On a written resolution, every CPI Council member shall have one vote.
  - 5.17 CPI Council may, by a resolution passed by a majority of not less than three-quarters of all the CPI Council members at the time of the resolution, remove any CPI Council member and request the nomination of another representative from the Full Member or CPI Sector Body (which nominated the removed CPI Council member) in his place.
  - 5.18 The CPI Council may from time to time convene and disband committees, sub-committees or working groups for specific tasks and appoint chairmen and members who are normally employees of Members.

### **Finance and Management Board**

- 6.1 The CPI Finance and Management Board (FMB) is responsible to CPI Council and shall comprise the CPI's President, Vice President, Immediate Past President and Treasurer (who are the Officers of CPI) and the CPI Director General and CPI Company Secretary (who are the Executive of CPI), and those persons who accept an invitation from the FMB or CPI Council to join the FMB.
- 6.2 The purpose of the FMB is to oversee the business, finances and affairs of CPI with delegated authority of the CPI Council.
- 6.3 The responsibilities of the FMB shall include the following –
- To oversee the finances of CPI, prepare budgets, forecasts and accounts and report on same to CPI Council.
  - To keep under review the CPI subscription model and, if considered appropriate, recommend changes to CPI Council.
  - To fix from time to time the membership subscriptions payable by Members.
  - To keep under review the governance of CPI and its Councils and Committees and, if considered appropriate, recommend changes to CPI Council.
  - To oversee the selection, appointment, removal, and terms and conditions of employment of the Director General and the Company Secretary of CPI, and to have the right to be informed of decisions made by the CPI Director General in relation to such matters for all other members of CPI staff.
  - To ensure that the activities of CPI's Sector Bodies coordinate with the objectives of CPI.
  - To ensure that CPI Committees are managed efficiently and effectively in the best interests of CPI Members.
- 6.4 The FMB shall ensure that the Articles and Byelaws, and any amendment to them, is made available to Members in a timely manner and in a format considered suitable and sufficient by the FMB.
- 6.5 An FMB meeting shall be considered quorate when there are at least three members present, comprising at least two Officers and at least one Executive.

### **General Meetings**

- 7.1 The rules governing the organising of general meetings of members and voting of members are set out in the Articles.

### **Directors and Staff**

- 8.1 The CPI Council shall appoint a Director General who shall be responsible to it for the management of CPI and who shall also be the principal representative of CPI. The Director General may nominate persons, normally members of staff or employees of Members companies, to represent CPI on outside bodies.
- 8.2 CPI Council may appoint a Finance Director and any other director it thinks fit.
- 8.3 Each individual Officer of CPI and the CPI Director General is expected to agree to their appointment as a director of CPI with effect from the date of their becoming an Officer or appointment as Director General. Exceptionally, and subject to the prior approval of CPI Council, an Officer may decline to be appointed a director of CPI.
- 8.4 Persons appointed under 8.2 and 8.3 above shall be directors within the meaning of the Companies Acts.
- 8.5 CPI Council may also appoint a Company Secretary.

- 8.6 All other staff shall be appointed by the CPI Director General, or by senior staff authorised by the CPI Director General.
- 8.7 The Director General may appoint any employee of CPI to the position of associate director, and such associate directors shall be identified by a job title starting with the words "Director of". Associate directors are not directors within the meaning of the Companies Acts.

### **Delegation**

- 9.1 CPI Council, FMB and the CPI Director General may delegate any of their powers.

### **Finance**

- 10.1 Members shall pay an annual membership subscription which operates from 1<sup>st</sup> January in each year and shall be on such scale and on such basis as may from time to time be recommended by the FMB and approved by CPI Council. The annual membership subscription shall be payable in advance, on demand, but in any event by 31 March in each year.
- 10.2 The FMB may raise, as it thinks fit, such additional subscriptions, fees or charges, over and above the annual membership subscription, from those Members who have agreed to pay such additional subscriptions, fees or charges.
- 10.3 The membership subscription of incoming Members shall be payable in proportion to the remainder of the subscription year still to run.

### **Statistics**

- 11.1 Members shall submit to CPI, or to its agents, such statistical data as may be called for and by the dates specified. CPI shall treat all such data as confidential.
- 11.2 CPI may publish, or supply to third parties, statistical data but only in a form which complies with UK competition law.

### **Health & Safety**

- 12.1 It is expected that Members will participate and co-operate with the Health & Safety work of CPI.
- 12.2 It is further expected that Full Members will comply with any Health & Safety advice, guidelines or recommendations issued by CPI, either in its own name or jointly with other organisations.

### **Competition Law**

- 13.1 It is the general policy of CPI to comply with all laws applicable to its activities. This general policy includes strict compliance with UK and EU Competition Law. Members and their representatives are therefore required to:-
- co-operate fully with the CPI's policy of compliance with competition law;
  - familiarise themselves with the provisions of competition law;
  - consider the competition law aspects of any CPI work they are involved in and if appropriate take relevant advice before voicing an opinion, exchanging information, committing to a course of action, taking a decision or reaching an agreement.

- 13.2 The CPI's Competition Law Policy applies to all activities of CPI including, but not limited to, its Sector Bodies, sectoral associations, Councils, committees, working groups, technical groups, and sub-groups.
- 13.3 Members and their representatives must avoid any action, decision or agreement that might suggest CPI is used as a vehicle to facilitate, or is a party to, any unlawful conduct under competition law.

#### **CPI Sector Bodies**

- 14.1 In addition to the four CPI Sector Bodies (Corrugated Packaging, Papermaking, Recovered Paper and Tissue), CPI Council may form such other CPI Sector Bodies as it considers appropriate.
- 14.2 Each CPI Sector Body shall have a written constitution in such form as may be approved by CPI Council. Any amendment to such constitution shall be subject to the approval of CPI Council.
- 14.3 Subject to its constitution, each CPI Sector Body may regulate its affairs and carry on its activities as it decides, but CPI Council shall have ultimate responsibility for everything done, or not done, by the CPI Sector Body.
- 14.4 If at any time CPI Council shall deem that the actions of a CPI Sector Body are contrary to that Sector Body's constitution or contrary to the interests of CPI, CPI Council shall have the power, which shall be exercisable in its absolute discretion, to dissolve that CPI Sector Body.
- 14.5 Each Sector Body will be responsible for:
- providing representation on CPI Council;
  - ensuring that the needs of its Members are reflected in the deliberations of CPI Council, and
  - identifying and funding those requirements that are particular to its Members' interests and not otherwise catered for within CPI.

#### **CPI Issues Management Committee**

- 15.1 The CPI Issues Management Committee (IMC) is responsible to CPI Council for dealing with issues faced by CPI Members by helping to establish a favourable operating environment, by providing a forum for discussion on non-competitive issues, and by providing information to assist them in their business.
- 15.2 The IMC shall have a written constitution in such form as may be approved by CPI Council. Any amendment to such constitution shall be subject to the approval of CPI Council.
- 15.3 The selection and prioritisation of issues will be approved by CPI Council on advice from the IMC and CPI Director General.
- 15.4 The IMC shall propose appropriate action, undertake information/data collection, and, where appropriate, monitor the impact of change on Members' activities.
- 15.5 In considering priorities, Council and the IMC will have regard to a number of "issues criteria", including:
- threatening legislation;
  - negative media attention;
  - negative public opinion/consumer activity;
  - ENGO activity;
  - attacks from other material sectors, and
  - Members' perception of opportunities and threats.



### **Revision of the Byelaws**

- 16.1 Subject to the Articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors. In addition, and subject to the Articles, the directors may make such rules as they consider necessary or convenient for the proper conduct and management of CPI and for the purposes of prescribing the classes and conditions of membership.
- 16.2 A rule made by the directors will be effective when it has been incorporated into the Byelaws.
- 16.3 CPI Council, as the body representing the interests of CPI's members, may alter or repeal any rules made by the directors in accordance with the Articles.
- 16.4 The Company in general meeting may, by a special resolution of the Full Members, alter or repeal any rules made by the directors in accordance with the Articles.
- 16.5 The directors shall without unreasonable delay revise these Byelaws for any new rule, or change to an existing rule, which has been duly approved by CPI Council or by the Full Members.