Alliance for Financial Inclusion
Articles of Association

Article 1: Name, Status, Location

1.1 The organization is hereby established and shall be known as the Alliance for Financial Inclusion (hereinafter referred to as "AFI"), which shall operate as an independent international organization and non-profit organization. *Amended on 3 September 2024*

1.2 AFI shall be located in Kuala Lumpur, Malaysia, which shall host the AFI head office.

1.3 AFI may establish offices in other countries.

Article 2: Juridical Personality

AFI shall have full juridical personality separate from its members and shall have perpetual succession. AFI shall have full capacity to:

- Contract;
- Sue or be sued in its own name or institute legal proceedings; and
- Acquire, hold, and dispose of assets and property.

Article 3: Objectives

3.1 AFI is a global network of financial regulatory and financial inclusion policymaking institutions from developing and emerging countries, and high-income emerging countries. Through knowledge-sharing and peer learning, AFI provides its member institutions with the knowledge, tools, and resources to develop and implement evidence-based, cutting-edge financial inclusion policies. The ultimate goal is to improve the access, usage, and quality of appropriate financial services to the unbanked through more effective policies. *Amended on 7 September 2016*

3.1.1 Notwithstanding Article 3.1, an AFI Member that attains the developed economy status is eligible to continue as a member of AFI. *Amended on 11 September 2019*

3.2 AFI engages with developed countries to further financial inclusion through knowledge-sharing. *Amended on 7 September 2016*

Article 4: Prohibition against electioneering

No substantial part of the activities of the AFI shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the AFI shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. *Amended on 7 September 2016*

Article 5: Net earnings

No part of the net earnings of the AFI shall be used for the personal benefit of, or be distributable to its members, trustees, officers, or other private persons, except that AFI shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in these Articles.

Amended on 7 September 2016

Article 6: Composition of the Alliance for Financial Inclusion

AFI shall comprise AFI Members, AFI Membership Council, AFI Board of Directors, AFI Committees and AFI Management Unit.

Amended on 3 September 2024

Article 7: AFI Members

7.1 AFI Members shall consist of Principal Members and Associate Members. One country may have up to five AFI member institutions, with a maximum of two Principal Members.

Amended on 3 September 2024

7.2 Principal Member(s) shall be the financial regulatory or financial inclusion policymaking institution(s) in the country with a mandate for financial inclusion (such as central banks, ministries of finance, and supervisory bodies).

Amended on 3 September 2024

7.3 Associate Member(s) shall be such other institution(s) supporting the financial regulatory and policymaking institutions in financial inclusion in the country.

7.4 Where there are two Principal Members from the same country, the Principal Members shall between themselves agree on which Principal Member shall have voting rights and advise AFI in advance.

7.5 The AFI Management Unit will process and approve applications for AFI membership from potential Principal and Associate Members.

Amended on 3 September 2024

7.6 The determination of which membership category shall apply to a new applicant institution will be made by the AFI Management Unit and AFI may consult any relevant institution in the applicant's country.

7.7 AFI Members shall have the following rights:

Amended on 3 September 2024

(a) Subject to Article 7.4, fully paid-up Principal Members shall have the right to participate in AFI activities, attend and vote at the AFI Annual General Meeting, and to be nominated to serve as a member of the AFI Board of Directors or Committees;
(b) Fully paid-up Associate Members shall have the right to attend the AFI Annual General Meeting but shall not be eligible to vote at the AFI Annual General Meeting.

7.8 AFI Members shall have the following responsibilities:

(a) Adhere to the shared values and principles of the AFI network, including the commitment to prevent corrupt practices;
(b) Pay membership fees;
(c) Commit to key AFI declarations and commitments for financial inclusion;
(d) Actively share information on policy developments from its country or institution; and
(e) Participate in policy discussions and network activities.

Article 8: AFI Principal Member and Associate Member Benefits

Fully paid-up Principal and Associate Member(s) may be entitled to such benefits as the AFI Board of Directors may prescribe. The AFI Board of Directors may revise the members' benefits on an annual basis and present it to the AFI Membership Council at the Annual General Meeting for approval. *Amended on 3 September 2024*

Article 9: AFI Membership Fee, Term of Membership and Fee Methodology

9.1 An annual AFI membership fee is due for payment by each AFI Member at the beginning of each membership term, which starts on 1 January and ends on 31 December each year. Non-payment of fees may result in membership deactivation or suspension of membership benefits as the AFI Board of Directors may from time to time provide. *Amended on 3 September 2024*

9.2 The AFI fee methodology will be determined by the AFI Board of Directors and submitted for approval to the AFI Membership Council on recommendation of the AFI Board of Directors during the AFI Annual General Meeting. Fees will be adjusted based on the periodic update of data used to calculate the fees, but no earlier than three years following the last adjustment. *Amended on 7 September 2016*

Article 10: Resignation of AFI Member

10.1 An AFI Member may terminate its membership by sending written or electronic notice to the Chair of the AFI Board of Directors and the Chief Executive Officer (CEO) of the AFI Management Unit. Prior written notice of at least 90 days is required to facilitate a smooth transition. *Amended on 3 September 2024*

10.2 Where an AFI Member serves a notice to terminate its membership, the annual AFI membership fee for the period following the notice will still be due. Where the notice period extends into the following year's fee period, the fee due shall be on a pro rata basis. The AFI Member is also required to fulfill all its pending obligations with AFI including outstanding grants, Board or Committee responsibilities, co-hosting of an event, peer reviews and assigned duties under the Working Groups until the withdrawal takes effect. The exiting AFI Member is entitled, however, to make use of its membership rights until the withdrawal takes effect. *Amended on 3 September 2024*

Article 11: Dismissal of AFI Member

11.1 In the case of misconduct, such as the misuse of funds (grants, sponsorships), an AFI Member may be dismissed by decision of the AFI Board of Directors. The AFI Management Unit shall submit documentation outlining details of the alleged misconduct to the AFI Board of Directors, and the AFI Member shall be informed in writing and invited to make representations before the AFI Board of Directors. For an AFI Member to be dismissed, at least two-thirds majority vote of the AFI Board of Directors is required. *Amended on 3 September 2024*

11.2 Where an AFI Member is dismissed, the annual AFI membership fee will not be refunded and the dismissed AFI Member shall not be entitled to make use of its AFI membership rights for the remainder of the annual AFI membership term. *Amended on 3 September 2024*

Article 12: Member Disputes

Should any AFI-related disputes arise between or among AFI Members, the AFI Board of Directors shall arbitrate and help resolve the issue. In the case that a

dispute arises between or among members of the AFI Board of Directors, other non-affected AFI Board members shall arbitrate and help resolve the dispute.

Article 13: AFI Membership Council

13.1 The AFI Membership Council refers to the central council of AFI Members, comprising AFI Members who are entitled to vote in accordance with these Articles. The AFI Membership Council shall decide on matters referred to it at the Annual General Meetings in accordance with Article 14. *Amended on 3 September 2024*

13.2 The AFI Membership Council shall meet at least once a year at the Annual General Meeting. *Amended on 3 September 2024*

Article 14: Annual General Meetings

14.1 The Annual General Meeting shall be held annually at the Global Policy Forum or where the policy forum is not held, the Annual General Meeting may be held at any location that the AFI Board of Directors may decide. AFI Members hosting meetings of AFI must guarantee that those entitled to attend will be allowed to do so. AFI Members shall receive notice of the Annual General Meeting at least six months prior to the meeting. Documents related to Annual General Meeting shall be shared with AFI Members separately from the said notice within such period as the AFI Board of Directors may decide provided that documents relating to decisions that require at least two thirds majority vote by Principal Members present and voting shall be shared with AFI Members at least two months prior to the meeting. *Amended on 3 September 2024*

14.2 No business shall be transacted at the Annual General Meeting unless a quorum is present at the time when the meeting proceeds to business. Save as otherwise provided in these Articles, two thirds of all the countries represented by fully paid-up Principal Members in AFI shall be a quorum. *Amended on 3 September 2024*

14.3 The Chair of the AFI Board of Directors shall preside as chair at the Annual General Meeting or if he/she is not present at the meeting or is unable to act due to a conflict of interest, the Vice-Chair of the AFI Board of Directors shall preside as chair at the Annual General Meeting or if he/she is not present at the meeting or is unable to act due to a conflict of interest, the members of the AFI Board of Directors may elect another person from among themselves to preside as chair at the Annual General Meeting. *Amended on 3 September 2024*

14.4 The business of the Annual General Meeting shall consist of the following: *Amended on 3 September 2024*

(a) Approve minutes of the previous General Meeting;
(b) Receive the Annual Report of the AFI Board of Directors;
(c) Approve or ratify the appointment of Directors to the AFI Board of Directors due to vacancy or members of AFI Committees;
(d) Receive audited statement of accounts for the past financial year;
(e) Elect every two years the AFI Board of Directors for a two-year term;
(f) Approve any alteration to membership fee structure;
(g) Approve any amendments to the Articles of Association;
(h) Approve strategic decisions affecting the entire AFI membership or changing the fundamental structure of AFI;
(i) Approve the AFI Annual Report; and
(j) Any other business of AFI which the AFI Board of Directors refers to it or is required to consider under these Articles.

Article 15: Extraordinary General Meeting

15.1 An Extraordinary General Meeting of AFI may be convened for purposes of conducting any business considered by the AFI Board of Directors to be an emergency and requiring a decision to be made by the AFI Membership Council. *Amended on 3 September 2024*

15.2 The business for which the Extraordinary General Meeting is called shall be specified. No other business except the business for which the meeting is called, shall be conducted at an Extraordinary General Meeting. Save as otherwise provided in these Articles, two thirds of all the countries represented by fully paid-up Principal Members in AFI shall be a quorum. *Amended on 3 September 2024*

15.3 The Chair of the AFI Board of Directors shall preside as chair at the Extraordinary General Meeting or if he/she is not present at the meeting or is unable to act due to a conflict of interest, the Vice Chair of the AFI Board of Directors shall preside as chair at the Extraordinary General Meeting or if he/she is not present at the meeting or is unable to act due to a conflict of interest, the members of the AFI Board of Directors may elect another person from among themselves to preside as chair at the Extraordinary General Meeting. *Amended on 3 September 2024*

Article 16: Voting

16.1 Only fully paid Principal Members are entitled to vote at any general meetings of AFI with one vote per country. In the case of countries with more than one Principal Member, the decision-making shall be coordinated between or among the Principal Members for that country in compliance with one vote per country. *Amended on 3 September 2024*

16.2 Decisions of the AFI Membership Council shall be passed by simple majority of votes by fully paid Principal Members present and voting. *Amended on 3 September 2024*

16.3 Approval of any fundamental change to the Articles of Association such as change to membership structure, amendments to the Articles of Association or major adjustments to the membership fee structure however, requires at least two thirds majority vote by Principal Members present and voting. *Amended on 3 September 2024*

16.4 In the event of an equality of vote, the Chair of such general meeting shall have a casting vote to resolve any outstanding matter. *Amended on 3 September 2024*

16.5 For the avoidance of doubt, the term “present and voting” in this Article 16 means, of those Principal Members participating in the general meeting at which voting occurs, being present at the time of voting and casting either an affirmative or negative vote, and in determining the majority of those Principal Members present and voting for a particular business, a Principal Member who does not express any vote shall be deemed to be abstaining from voting on that particular business and as such shall not be counted towards the total number of votes for that particular business. *Amended on 3 September 2024*

Article 17: Affiliates, Partners and Observers

17.1 AFI may enter into cooperative arrangements with partners. These are entities that support AFI shared values and principles of cooperation and have financial inclusion initiatives, objectives or influence that impact or align with AFI’s *Amended on 5 September 2018*

strategic objectives. All cooperative arrangements entered by AFI shall be to the benefit of AFI Members.

17.2 AFI may admit individuals as its Affiliates. Affiliates are individuals who believe in, provide support and have the knowledge, intellectual capacity and track record, to advance AFI's financial inclusion objectives and goals but who do not fall within the categories of AFI Members or public or private partners. Affiliates may pay an affiliation fee to AFI as may be determined by the AFI Membership Council. *Amended on 5 September 2018*

17.3 Affiliates and Partners shall have the following roles and responsibilities: *Amended on 9 September 2020*
(a) Attend by invitation, AFI events in line with the terms agreed with AFI;
(b) Endorse AFI's declarations and commitments for financial inclusion; and
(c) Pay annual fees in line with the terms of engagement.

17.4 AFI may admit as an Observer, a financial regulatory or financial inclusion policymaking institution from a developed country which: *Amended on 13 September 2023*
(a) Promotes or implements financial inclusion objectives;
(b) Has mutual benefits for peer learning to advance financial inclusion goals of the AFI network; and
(c) Supports and aligns with AFI's objectives and principles of cooperation.

17.5 An Observer shall comply with the following terms and conditions: *Amended on 9 September 2020*
(a) Pay an annual Observer fee as shall be determined by the AFI Board of Directors from time to time;
(b) Participate in AFI events by invitation only;
(c) Provide technical support to AFI Members on invitation by AFI Management Unit;
(d) Participate in Annual General Meeting as an observer and may speak on invitation by the Chair of the AGM but without the right to vote on any resolution;
(e) Not eligible to take up any role in AFI governance committees; and
(f) Adhere to AFI's collaborative approach that imbeds mutual respect and equality irrespective of status and economic differences between countries.

17.6 AFI Management Unit shall process an application for Observership based on the criteria stipulated in Article 17.4 and submit to the Board for its review and decision. AFI Management Unit shall communicate the AFI Board of Directors' decision to the applicant. *Amended on 9 September 2020*

17.7 An institution shall cease to be an Observer if it: *Amended on 3 September 2024*
(a) fails to pay the annual Observer fee;
(b) fails to adhere to AFI values stipulated in Article 17.5(f); and
(c) fails to comply with the terms and conditions stipulated in Article 17.5.

17.8 Where an institution ceases to be an Observer, the annual Observer fee will not be refunded. *Amended on 9 September 2020*

17.9 An institution may withdraw as an Observer provided it submits a prior written notice of at least 90 days and meets all outstanding obligations, if any, to AFI. *Amended on 3 September 2024*

Article 18: AFI Board of Directors

18.1 Composition and Secretariat

The AFI Board of Directors shall act as the governing body of AFI, and shall consist of: *Amended on 3 September 2024*

(a) nine principal voting members elected from Principal Member institutions with at least three women to enhance gender equality in the event that the AFI Board of Directors has higher male representation. In the event that the AFI Board of Directors has higher female representation, at least three shall be men; and

(b) one external non-voting member selected from among AFI main funding partners; and *Amended on 2 September 2026*

(c) the CEO of the AFI Management Unit who shall serve as a non-voting member of the AFI Board of Directors.

The AFI Board of Directors may appoint an external non-voting Board Member from among AFI main funding partners, to sit in the AFI Board of Directors, in accordance with Article 18.7(g). *Amended on 2 September 2026*

The AFI Management Unit shall provide secretarial support during meetings of the AFI Board of Directors.

18.2 Responsibilities

The AFI Board of Directors shall: *Amended on 3 September 2024*

(a) Provide strategic guidance to the AFI Management Unit;
(b) Evaluate nominations for and decide on the appointment of the CEO;
(c) Evaluate nominations to the AFI Board of Directors for the AFI Membership Council's approval at the Annual General Meeting;
(d) Review the AFI Annual Report;
(e) Decide on the establishment and approve the Terms of Reference for all Committees;
(f) Appoint members of Committees;
(g) Arbitrate in the case of dispute between or among AFI Members;
(h) Integrate external (non-AFI Member) perspective, expertise, and informal advice into the governance structure of AFI through the possible establishment of advisory groups;
(i) Propose the adjustment of membership fees for the AFI Membership Council's approval;
(j) Propose amendments to AFI's Articles of Association for the AFI Membership Council's approval;
(k) Ratify all cooperative arrangements entered by AFI; and
(l) Decide on any other matter referred to it by the AFI Management Unit.

18.3 Powers

The AFI Board of Directors shall have the power, but not limited, to: *Amended on 3 September 2024*

(a) Dismiss the CEO, any Board Member, and Committee Member in the case of misconduct;
(b) Decide on reduced participation, deactivation, and dismissal of an AFI Member; and
(c) Decide on the dissolution of temporary Committees.

18.4 Compensation

AFI Board membership is not a paid position. Members of the AFI Board of Directors may, however, receive reimbursement of reasonable costs incurred when required to attend meetings of the AFI Board of Directors.

18.5 Eligibility

(a) Heads or Deputy Heads of Institutions of Principal Members are eligible to serve on the AFI Board of Directors according to the term of office prescribed in Article 18.7. One term of office for the AFI Board of Directors is two years, and a Principal Member may serve a maximum of two consecutive terms. Any Board member appointed to the AFI Board of Directors following a vacancy shall be regarded as having served the first term at the expiry of that remaining Board term provided that there is more than one year remaining in that Board term before its expiry. Thereafter, one full term must pass before a Principal Member that has served two consecutive terms is eligible to serve again on the AFI Board of Directors. *Amended on 3 September 2024*

(b) A Principal Member serving on the AFI Board of Directors may serve in other Committees except for the Budget and Finance Committee and the Audit Committee. *Amended on 5 September 2018*

18.6 Nomination to the AFI Board of Directors

(a) A Principal Member is entitled to nominate itself or another Principal Member to the AFI Board of Directors when there is vacancy on the AFI Board of Directors.

(b) The AFI Board of Directors will evaluate nominations taking into account: *Amended on 9 September 2020*

(i) Eligibility, qualification, and level of AFI engagement of the nominated Principal Member including commitment to AFI's vision and values, and demonstrates historical or emerging leadership in the AFI network;

(ii) The need to strive for balanced economic, geographical, and gender representation of AFI Members on the AFI Board of Directors;

(iii) No region is represented by more than two AFI Board Members (a region refers to the grouping of member institutions into a common geographical area as may be determined by the AFI Board of Directors from time to time; currently, this includes but is not limited to Eastern Europe and Central Asia, Latin America and the Caribbean, Sub-Saharan Africa, North Africa and the Middle East, Asia, and the Pacific); and

(iv) At least three of the seats for Principal members should be filled in accordance with Article 18.1.

(c) Once the nomination is approved by the AFI Board of Directors, the nominated person as elected in accordance with Article 18.1 and Article 18.5 shall be the principal representative on the AFI Board of Directors for the remaining term of the outgoing Board member provided that the AFI Board of Directors may approve a nomination from among deputy heads of an institution where the existing pool of heads of institutions is insufficient to provide for gender balance as provided in Article 18.1. The principal representative should meet the following qualifications: *Amended on 3 September 2024*

(i) Substantial knowledge/experience in and contributions to the field of financial inclusion and/or at least one AFI policy area;

(ii) Ability to dedicate substantial time and effort to support AFI's mission as well as the mandate of the AFI Board of Directors; and

(iii) No potential conflict of interest with his/her other ongoing activities or commitments.

(d) A Principal member is also required to appoint, in advance, and submit to the AFI Board of Directors the name of the alternate delegate to represent the institution in the absence of the principal representative. *Amended on 3 September 2024*

The alternate delegate shall be Deputy Head of institution and should have full power to bind the Principal Member.

(e) Where no nomination is received from any Principal Member institution from any one of the regions specified in Article 18.6(b)(iii), the AFI Board of Directors may approve the nomination of the Board member representing the region in the ongoing term to serve an additional one term in the new term of the AFI Board of Directors, although the Board member would have completed two consecutive terms by the end of the ongoing term. The Board member must express willingness to serve another term on the AFI Board of Directors and meet the criteria for AFI Board of Directors membership stated in Article 18.6(b). *Amended on 3 September 2024*

(f) In the event the relevant Board member does not express willingness to serve another term on the AFI Board of Directors according to Article 18.6(e), the seat shall be open to a Principal Member institution from another region subject to the limit of 2 Board members per region according to Article 18.6(b)(iii). *Amended on 3 September 2024*

(g) Where it is not possible to apply Article 18.6(f) due to insufficient nominations received from Principal Member institutions, the AFI Board of Directors may pass a special resolution to approve the nomination of a Principal Member institution to serve on the AFI Board of Directors where the region represented by this institution is already represented by two Board members. *Amended on 3 September 2024*

18.7 Appointment and Term

(a) At the commencement of a new AFI Board of Directors term, all nominated Board members shall be approved by the AFI Membership Council. *Amended on 7 September 2016*

(b) In the case of a vacancy on the AFI Board of Directors, a nominated member will be approved by the AFI Board of Directors for the remaining term of the outgoing Board member, whose name shall be notified to and ratified by the AFI Membership Council at the next Annual General Meeting as having assumed office following the vacancy. *Amended on 3 September 2024*

(c) In case of a vacancy on the AFI Board of Directors falling before the expiry of its term, the AFI Board of Directors may in addition to any nomination from the outgoing Board member's institution, consider nominations from other AFI Members to fill the vacant position. *Amended on 7 September 2016*

(d) The term of office for the AFI Board of Directors shall be two years save for in the case of a vacancy which shall be for the remaining term of the outgoing Board member, and a Board Member may serve a maximum of two consecutive terms. To ensure continuity, nominations for a second term of office shall be limited to a maximum of four Board members to provide for new AFI Board of Directors nominations. *Amended on 3 September 2024*

(e) One full term must pass before a Principal Member that has served two terms is eligible to serve again on the AFI Board of Directors. *Amended on 9 September 2020*

(f) Any Board member appointed to the AFI Board of Directors following an unexpected vacancy during an ongoing AFI Board of Directors term shall be regarded as having served the duration of the term if more than one year remains before its expiry. *Amended on 9 September 2020*

(g) The AFI Board of Directors may appoint an external non-voting Board member selected from among the nominations submitted by AFI's main funding partners with a strong track record of driving financial inclusion efforts. The institution to be considered for appointment shall demonstrate the following qualities and attributes: *Amended on 2 September 2026*

(i) Strong support and commitment to the mission and work of AFI;

(ii) Has a strategic focus on financial inclusion and is aligned with AFI members' interests;
(iii) Supportive of AFI's strategic approach and peer learning development model;
(iv) Capacity to provide technical, or strategic guidance, to support AFI's administration, programs and activities, as may be determined by the Board from time to time;
(v) Willingness to support activities that are relevant and beneficial to, and in demand by AFI members;
(vi) Demonstrates a material and sustained funding commitment, with a minimum of USD 1 million per year, covering at least one full term of the non-voting Board seat and;
(vii) Demonstrates a high degree of professionalism, including diplomacy, tact, and discretion, to support effective engagement at the level of the AFI Board of Directors; and
(viii) Complies with all AFI policies, in a manner consistent with the obligations and standards expected of members of the AFI Board of Directors.

provided that the institution shall not be a private sector institution incorporated to provide any financial or regulated services in any of AFI members' countries and whose activities shall not be in conflict with the activities of AFI. Once appointed, the institution shall nominate a suitably qualified official to represent it on the AFI Board of Directors, who shall be a senior executive (Head of Institution, Deputy Head, or another top-tier representative), and an alternate representative who shall be at Director-level and/or equivalent level, or higher, or a member of the institution's Management Committee or Executive Committee. The nominee shall demonstrate a sound understanding of development financing, policy engagement, or strategic partnerships, and the ability to effectively represent the institution and contribute constructively to the deliberations of the AFI Board of Directors.

(h) The term of office of an external non-voting member is two years and shall be aligned to the term of the AFI Board of Directors, and an external non-voting member may, subject to re-nomination and appointment, serve a maximum of two consecutive terms. Re-appointment of the external non-voting member shall be decided by the AFI Board of Directors considering commitment to the activities of the AFI Board of Directors in the previous term and compliance to the criteria stated in Article 18.7(e). *Amended on 2 September 2026*

18.8 Cessation

A Board member shall cease to be on the AFI Board of Directors if she/he: *Amended on 7 September 2016*

(a) becomes of unsound mind or otherwise becomes incapable of carrying out her/his duties;
(b) becomes separated from the institution that nominated her/him;
(c) is under any form of restriction or bond under any law relating to the prevention of crime;
(d) becomes a bankrupt, suspends payments or compounds with creditors;
(e) has been charged for a criminal offence under any written law punishable by imprisonment, whether by itself, or in lieu, or in addition to, a fine in any court of law; or
(f) is guilty of serious misconduct in relation to his duties.

18.9 Chair and Vice-Chair of the AFI Board of Directors

(a) The position of Chair of the AFI Board of Directors shall be held by a Head of a Principal Member institution. *Amended on 9 September 2020*

(b) The position of Chair of the AFI Board of Directors shall be assumed by rotation from the position of Vice-Chair following the ending of the term of the exiting Chair of AFI Board of Directors provided he/she does not exceed the limit of two consecutive terms. *Amended on 9 September 2020*

(c) Where the Vice-Chair cannot assume the position of Chair due to limit of consecutive terms on the AFI Board of Directors, the AFI Board of Directors shall by simple majority elect a new Chair from among the qualifying Board members at its first sitting. *Amended on 9 September 2020*

(d) The position of Vice-Chair shall be held by a Head of a Principal member institution elected by the AFI Board of Directors at its first sitting following the approval of its constitution by the AFI Membership Council. To ensure continuity, the Vice-Chair shall be elected by simple majority voting from among the Board members serving the first term of office. *Amended on 9 September 2020*

(e) A new Vice-Chair shall be elected from within the AFI Board of Directors by simple majority voting and with at least two thirds of all Board members present with each rotation of a new Chair. *Amended on 9 September 2020*

(f) A Principal Member institution represented on the AFI Board of Directors by a Deputy Head of institution nominated in terms of Article 18.1 qualifies to be elected as Vice Chair, provided the institution confirms to the AFI Board of Directors in writing that the Head of institution will assume the role of Board member. *Amended on 9 September 2020*

(g) In the event that both the Chair and Vice-Chair have exceeded the limit of two consecutive terms, the remaining Board members shall elect a new Chair and new Vice-Chair from among themselves. *Amended on 13 September 2017*

(h) In the event of an unexpected vacancy on the position of Chair, the Vice-Chair assume the position of Chair until the next AGM and the AFI Board of Directors shall elect a Vice-Chair from among the Board members present.

(i) The role of the Chair is to facilitate discussions and preside over meetings of the AFI Board of Directors. The Vice-Chair will facilitate discussions and preside over meetings in the absence of the Chair. Where both the Chair and Vice-Chair are absent, the remaining Board members may elect another person from among themselves to chair the meeting.

(j) A Principal Member from AFI's host country may serve on the AFI Board of Directors but shall not be eligible to serve as Chair or Vice-Chair of the AFI Board of Directors.

18.10 Resignation

(a) An AFI Board member as an individual may resign by sending written or electronic notice to the Chair of the AFI Board of Directors (and in the case of the Chair of the AFI Board of Directors, the Vice-Chair). Prior written notice at least 30 days in advance should be given to facilitate a smooth transition, unless a shorter time is agreed with the AFI Board of Directors.

(b) In the case of separation of a Board representative of a member institution from the member institution, the representative shall cease to be a Board member. A transition period not exceeding 30 days may be given by the Chair or Vice-Chair to facilitate smooth handover. *Amended on 7 September 2016*

18.11 Dismissal

In the case of gross misconduct, a Board member may be removed by decision of the AFI Board of Directors by at least two-thirds majority vote of the Board members present. Gross misconduct includes breach of duty, dishonesty, and conduct likely to bring AFI into disrepute.

18.12 Frequency of Meetings

(a) Meetings of the AFI Board of Directors shall be held at least three times a year. Special Meetings may be called on an ad-hoc basis by the Secretary of the AFI Board of Directors. Where an urgent matter requiring Board attention arises and the AFI Board of Directors is unable to meet in a formal meeting, the AFI Board of Directors may vote on a specific issue on circulation basis without calling a meeting of the AFI Board of Directors. *Amended on 3 September 2024*

(b) Two Meetings of the AFI Board of Directors shall be attended in person, with one of these during the annual Global Policy Forum and the other at another venue. The third Meeting and any Special Meetings may be held via video conferences and/or conference calls. *Amended on 3 September 2024*

18.13 Notice of Meetings and Communications

Meetings of the AFI Board of Directors shall be called by written notice of the Secretary no less than 45 days before the meeting date. The date, time, and place (if any) of such meetings will be determined by the Secretary in consultation with the AFI Board members. The Secretary shall inform the AFI Board members of the meeting agenda and circulate related documentation at least 14 days prior to the scheduled date of the meeting. Special Meetings may be called with shorter notice. *Amended on 3 September 2024*

18.14 Meeting Participation

(a) AFI Board members shall make every effort to attend all meetings. An AFI Board member who cannot attend a meeting may appoint an alternate delegate in accordance with Article 18.7 to represent the member and vote on behalf of the AFI Board member in a meeting.

(b) Participation at the Annual General Meeting and Global Policy Forum is mandatory and only in exceptional circumstances may an AFI Board member be represented by the alternate qualified substitute at the Annual General Meeting and Global Policy Forum. *Amended on 3 September 2024*

(c) An AFI Board member who misses three consecutive General and Special Meetings may have their Board membership reconsidered by the AFI Board of Directors.

18.15 Quorum of Meetings

No business shall be transacted at meetings of the AFI Board of Directors unless a quorum is present at the time when the meeting proceeds to business. Save as otherwise provided in these Articles, two thirds of all the voting AFI Board Members shall be a quorum. *Amended on 3 September 2024*

18.16 Voting

(a) Decisions of the AFI Board of Directors are generally passed by simple majority vote of AFI Board of Directors present and voting, unless otherwise provided by any specific Article. *Amended on 3 September 2024*

(b) Decisions on the adjustment of membership fees, amendments to AFI's Articles of Association, and the dismissal of an AFI Member institution require at least two-thirds majority vote of AFI Board Members present and voting.

(c) In the event of an equality of vote, the Chair of the AFI Board of Directors shall have a casting vote to resolve any outstanding matter.

(d) For avoidance of doubt, the term "present and voting" in this Article 18 means, of those AFI Board members participating in the meeting of AFI Board of Directors at which voting occurs, being present at the time of voting and casting either an affirmative or negative vote, and in determining the majority of those AFI Board members present and voting for a particular business, an AFI Board member who does not express any vote shall be deemed to be abstaining from voting on that particular business and as such shall not be counted towards the total number of votes for that particular business.

18.17 Record of Meetings

Decisions, advice, and recommendations made in a meeting of the AFI Board of Directors shall be recorded and meeting minutes shall be distributed to all Board members. The minutes of an AFI Board of Directors meeting shall be approved by the AFI Board of Directors at the following meeting and retained in the permanent records of AFI.

Article 19: AFI Committees

19.1 Role and Composition

(a) Committees shall provide specialized support to the AFI Board of Directors. *Amended on 3 September 2024*

(b) Committees are either permanent, or temporary (established for a two-year period or less).

(c) The following Permanent Committees can only be dissolved by modification of AFI's Articles of Association:
   (i) the Budget and Finance Committee;
   (ii) the Audit Committee;
   (iii) the Global Standards and Policy Committee;
   (iv) the Gender Inclusive Finance Committee; and
   (v) the Investment Committee.

(d) Other permanent Committees can be similarly established and dissolved by modification of the Articles of Association.

(e) Temporary Committees can be established and dissolved by decision of the AFI Board of Directors and will operate for a fixed duration to achieve a predefined set of objectives.

(f) The AFI Board of Directors shall approve members to serve on any temporary Committee.

(g) Each Committee shall consist of five to seven members. The CEO shall nominate an appropriate AFI Management Unit representative to serve as the Secretary of a Committee.

(h) A Committee may invite external parties, with relevant expertise to attend its Committee meeting when it is required but such external parties are not eligible to vote on any matter called to a vote.

19.2 Responsibilities

A Committee will have the responsibilities as set forth in the Terms of Reference for that specific Committee, as determined by the AFI Board of Directors.

19.3 Compensation

Committee membership is not a paid position. Committee members may, however, receive reimbursement of reasonable costs incurred when required to attend Committee meetings in person.

19.4 Eligibility

(a) Only Principal Members are eligible to serve on a Committee. Principal Members serving on a Committee are eligible to serve on the same Committee for a maximum of two consecutive terms. Thereafter, one full term must pass before the Principal Member is eligible to serve again on the same Committee.

(b) A Principal Member on the AFI Board of Directors may serve in other Committees except for the Budget and Finance Committee and the Audit Committee. *Amended on 5 September 2018*

(c) A Principal Member may serve on more than one Committee, including the Budget and Finance Committee or the Audit Committee. *Amended on 5 September 2018*

19.5 Nomination to the AFI Committee

(a) A Principal Member is entitled to nominate itself or another Principal Member to any AFI Committee when there is vacancy.

(b) The AFI Board of Directors will evaluate nominations taking into account:
   (i) Eligibility, qualification, and level of AFI engagement of the nominated Principal Member;
   (ii) The need to strive for balanced economic, geographical and gender representation of AFI Members on the AFI Committee; and *Amended on 5 September 2018*
   (iii) No region is represented by more than two AFI Committee Members (a region refers to the grouping of member institutions into a common geographical area as may be determined by the AFI Board of Directors from time to time; currently, this includes but is not limited to Eastern Europe and Central Asia, Latin America and the Caribbean, Sub-Saharan Africa, North Africa and the Middle East, Asia, and the Pacific).

(c) The nominated Principal Member should then propose a delegate to represent the institution and who meets the following qualifications:
   (i) Commitment to AFI's vision and values;
   (ii) Demonstrated historical or emerging leadership in the AFI network;
   (iii) Substantial knowledge/experience in and contributions to the field of financial inclusion and/or at least one AFI policy area;
   (iv) Ability to dedicate substantial time and effort to support AFI's mission as well as the mandate of the Committee;
   (v) No potential conflict of interest with his/her other ongoing activities or commitments; and
   (vi) Leadership position in the Principal Member institution.

19.6 Appointment and Term

(a) Any new permanent Committee members will be proposed by the AFI Board of Directors to the Membership Council during the Annual General Meeting. Following approval by the AFI Membership Council, the new AFI

Committee members will commence their roles at the conclusion of the corresponding Global Policy Forum.

(b) Each AFI Committee member will be appointed for a two-year term.

(c) For permanent Committees, a Principal Member is eligible to serve on the same Committee for a maximum of two consecutive two-year terms. Thereafter, at least one full term of two years shall pass before the Principal Member is eligible to serve again on the same Committee. AFI permanent Committees will strive to retain at least half of its members in office to ensure continuity.

(d) In the event of an unexpected vacancy (e.g. as a result of the delegate's death, resignation or dismissal), the AFI Board of Directors shall appoint a new Committee member. The member institution from which a vacancy arises may nominate a replacement to be considered alongside candidate similarly nominated.

19.7 Chair and Vice-Chair of the AFI Committee

(a) Committee members shall elect a Chair as well as a Vice-Chair from within the group by simple majority with at least two thirds of all Committee members present. For permanent Committees, at the end of the first two-year period, the Vice-Chair shall serve as the Chair for the following period to ensure continuity. A new Vice-Chair shall be elected by the Committee with each rotation of a new Chair.

(b) The role of the Chair is to facilitate discussions and preside over meetings of the Committee. The Vice-Chair will facilitate discussions and preside over meetings in the absence of the Chair.

19.8 Resignation

(a) A Committee member as an individual may resign by sending written or electronic notice to the Chair of the Committee (and in the case of the Chair of the Committee, the Vice-Chair). Prior written notice at least 30 days in advance should be given to facilitate a smooth transition, unless a shorter time is agreed with the AFI Board of Directors. *Amended on 3 September 2024*

(b) In the event of separation of a Committee member from a member institution, the member shall cease to be Committee member and the AFI Board of Directors may appoint a replacement. *Amended on 7 September 2016*

19.9 Dismissal

In the case of gross misconduct, a Committee member may be removed by decision of the AFI Board of Directors. Gross misconduct includes breach of duty, dishonesty, and conduct likely to bring AFI into disrepute.

19.10 Frequency of Meetings

A Committee shall meet at least twice per year, of which at least once shall be in person. Other meetings may be held via videoconference and/or conference calls.

19.11 Notice of Meetings and Communications

A meeting requiring attendance in person shall be called by written notice by the Committee Chair no less than 45 days before the meeting date. Other meetings may be called with shorter notice. The date, time, and place (if any) of such meetings will be determined by the Chair and AFI Management Unit in consultation with the Members of the respective Committee. The Chair or the AFI Management Unit shall inform the members of the respective Committee of the meeting agenda and related documentation at least 14 days prior to the scheduled day of the meeting.

19.12 Meeting Participation

(a) Committee members shall make every effort to attend all meetings. A Committee member who cannot attend a meeting may appoint a qualified substitute to represent and vote on behalf of the Committee member in a meeting.

(b) Notwithstanding the above provision, a Committee member who misses three consecutive meetings may have their Committee membership reconsidered by the AFI Board of Directors.

19.13 Quorum of Meetings *Amended on 3 September 2024*

No business shall be transacted at the meetings of a Committee unless a quorum is present at the time when the meeting proceeds to business. Save as otherwise provided in these Articles, a simple majority of all the members of the relevant Committee shall be a quorum.

19.14 Voting *Amended on 3 September 2024*

(a) Decisions of a Committee are generally passed by a simple majority vote of Committee members present and voting, unless otherwise provided by any specific Article.

(b) In the event of an equality of vote, the Chair of the Committee shall have a casting vote to resolve any outstanding matter.

(c) For the avoidance of doubt, the term "present and voting" in this Article 19 means, of those Committee members participating in the meeting of the Committee at which voting occurs, being present at the time of voting and casting either an affirmative or negative vote, and in determining the majority of those Committee members present and voting for a particular business, a Committee member who does not express any vote shall be deemed to be abstaining from voting on that particular business and as such shall not be counted towards the total number of votes for that particular business.

19.15 Record of Meetings

All resolutions of a Committee shall be recorded and minutes of the meeting shall be distributed to all Committee members. The minutes of a Committee meeting shall be approved by the respective Committee at the following meeting and retained in the permanent records of AFI.

Article 20: AFI Management Unit

20.1 Role and Responsibility

The AFI Management Unit is the Secretariat of the AFI Board of Directors and is responsible for the execution of AFI's mission. *Amended on 7 September 2016*

20.2 Chief Executive Officer

The CEO shall be appointed by the AFI Board of Directors as the head of the AFI Management Unit and shall be accountable to the AFI Board of Directors. The CEO shall be responsible for heading the AFI Management Unit's operations. The CEO shall appoint members of staff of the AFI Management Unit striving for balanced gender representation, and determine their duties and conditions in accordance with a service scheme approved by the AFI Board of Directors. *Amended on 3 September 2024*

20.3 Tenure, Resignation, and Dismissal of Chief Executive Officer

Amended on 3 September 2024

(a) The CEO shall serve for a term of five years, and is eligible for reappointment by the AFI Board of Directors.

(b) In case of gross misconduct, the CEO may be removed by resolution of the AFI Board of Directors. Gross misconduct includes breach of duty, dishonesty, and conduct likely to bring AFI into disrepute.

(c) In the event of unexpected vacancy (e.g. as a result of death, resignation, or dismissal), the AFI Board of Directors will appoint a new CEO. The Chair of the AFI Board of Directors may appoint an acting CEO in the interim.

20.4 The Executive Leadership Team

Amended on 3 September 2024

The CEO shall be supported by the Deputy Chief Executive Officer and Chief Implementation Officer (DCEO and CIO) and the Deputy Chief Executive Officer and Chief Operations Officer (DCEO and COO), together they shall constitute the AFI Executive Leadership Team. The AFI Executive Leadership Team is responsible for the day-to-day operations of AFI, which includes:

(a) Execution of AFI services and programs;
(b) Organization of AFI events;
(c) Coordination of meetings of the AFI Board of Directors and Committees;
(d) Execution of agreements and contracts according to the delegation of authority mandate to be approved by the Board from time to time;
(e) Membership fee collection and registration;
(f) Keeping accurate records and accounts; and
(g) Generation of annual and financial reports.

20.5 Control from External Influence

Amended on 3 September 2024

In the discharge of their duties, the CEO and the staff of the AFI Management Unit shall not seek or accept instructions from any government, person, or any external authority. They shall refrain from any actions which might adversely reflect on their positions as international officials.

20.6 Conduct

Amended on 3 September 2024

The CEO and staff of the AFI Management Unit shall be committed to the highest ethical standards in the furtherance of the functions and objectives set forth under these Articles. They will conduct themselves with integrity in all dealings with and on behalf of AFI, conscientiously strive for excellence in their work and be accountable for their ethical conduct and compliance with applicable laws and AFI policies and procedures.

Article 21: Funding and Resources

21.1 AFI will be funded by member subscriptions calculated in accordance with the membership scheme to be approved by the Members from time to time and by voluntary contributions from Members.

Amended on 7 September 2016

21.2 AFI may also receive funds, grants and donations from other organizations and partners that share similar ideals.

Amended on 7 September 2016

21.3 AFI may also borrow funds, to support its operations and in that connection to furnish such collateral or other security as it shall determine; provided, however, that before providing such collateral or making such undertaking the prior approval of the AFI Board of Directors shall be obtained.

Amended on 3 September 2024

Article 22: AFI Fund and Investments

22.1 AFI may establish a Fund and make investments of its funds in such form or forms as it may deem appropriate in the circumstances. The AFI Board of Directors will approve AFI's Investment Guidelines. *Amended on 7 September 2016*

22.2 AFI may invest funds not immediately required to finance its programs in such obligations as it may determine in any marketable securities in any jurisdiction of an AFI Member or any other jurisdiction deemed appropriate for such investment in accordance with investment guidelines to be approved by the AFI Board of Directors. *Amended on 3 September 2024*

Article 23: Financial Statements

23.1 The financial year of AFI shall begin on 1st January and end on 31st December. *Amended on 7 September 2016*

23.2 The financial statements of AFI shall be prepared in accordance with International Financial Reporting Standards. *Amended on 7 September 2016*

Article 24: External Audit

24.1 The appointment of the external auditor shall be in accordance with international standards and shall be approved by the AFI Board of Directors based on the recommendation of the AFI Audit Committee. *Amended on 5 September 2018*

24.2 The annual financial statements of AFI shall be audited by an independent external auditor, reviewed by AFI's Audit Committee, approved by the AFI Board of Directors, and submitted to the AFI Membership Council at the Annual General Meeting. *Amended on 5 September 2018*

24.3 The audited financial statements of AFI shall be made publicly available. *Amended on 7 September 2016*

Article 25: Dissolution of AFI

25.1 The AFI may be dissolved only on approval by at least two-thirds majority vote of the fully paid-up Principal Members following a submission of a full Board resolution calling for the dissolution of AFI. *Amended on 7 September 2016*

25.2 Upon the dissolution of the AFI, its assets and property should be used for settlements of the AFI's debts, obligations, and necessary final expenses. Any assets lawfully available for distribution after settlement of such debts, obligations, and expenses, shall be distributed to one or more other organizations, or governmental bodies, as selected by the AFI Board of Directors for a public or charitable purpose. The criteria for selecting the asset recipient in the event of AFI's dissolution shall be explicitly aligned to the objectives of AFI in the decision made by way of selective tender. *Amended on 7 September 2016*

25.3 The following procedures shall apply in the distribution of assets upon dissolution of AFI: *Amended on 7 September 2016*

(a) The AFI Management Unit shall develop a dissolution plan which must include a proposal for how the assets are to be distributed. The proposal should list the name, address and purpose/objective of each proposed recipient, the amount or asset to be distributed to each proposed

recipient, and the means of transfer (for example, transfer of cash from one bank account to the other, or the transfer of title of the asset);

(b) For the purpose of accountability and controls, the asset distribution plan shall prescribe a timeline for distribution of assets and the authorized signatories for validation of asset transfer transactions;

(c) The AFI Management Unit shall present the dissolution plan including the asset distribution proposal to the AFI Board of Directors for approval;

(d) The AFI Board of Directors shall consider the asset distribution plan based on the proposed recipient's programs, services offered, relevance of its purpose to the purpose of AFI, and the potential for continuity of AFI's purpose through the recipient's activities; and

(e) The AFI Board of Directors shall upon consideration of the dissolution plan, vote to approve, reject or revise the plan. The distribution of AFI's assets can only be effected when the dissolution plan including the asset distribution proposal is approved by a majority of the AFI Board of Directors.

25.4 Any residual assets not so disposed of shall be disposed of by a Court of competent jurisdiction in Malaysia or such other county in which the principal office or regional office is located, exclusively for such purposes or to such organization or organizations, as the said Court shall determine, which are organized and operated exclusively for such purposes as provided in Article 25.3(d). *Amended on 7 September 2016*

Article 26: Interpretation and Arbitration

26.1 Any question of interpretation of the provisions of these Articles arising between any Member and AFI or between any Members of AFI shall be submitted to the AFI Board of Directors for its decision. The decision taken by the AFI Board of Directors shall be final. *Amended on 7 September 2016*

26.2 Whenever a disagreement arises between AFI and an institution which has ceased to be a member, such disagreement failing amicable resolution may be submitted to arbitration by a tribunal of three arbitrators, one appointed by AFI, another by the institution involved and an umpire to be appointed on agreement between the institution and AFI. The umpire shall have full power to settle all questions of procedure in any case where the parties are in disagreement with respect thereto. *Amended on 7 September 2016*

Article 27: Effective Date of AFI's Articles of Association

27.1 The AFI's Articles of Association shall come into effect and AFI shall be formally established on the date when no fewer than five Principal Members ascribe their duly authorized signatures below.

27.2 After these Articles of Association shall have entered into effect, it shall be open for signature on behalf of any member whose membership has been approved pursuant to Article 7 by submission of a prescribed membership affirmation form.