



EHEDG CONSTITUTION, INTERNAL RULES and CODE of CONDUCT

Effective from 1st January 2021

This document was adopted by the EHEDG Executive Committee on
10th December 2020

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● INTRODUCTION

This document is issued as one means to communicate the revision of the Constitution, Internal Rules, and Code of Conduct of the Stichting EHEDG (European Hygienic Engineering & Design Group) here and after called EHEDG.

EHEDG is a non-profit consortium of equipment manufacturers, food producers, suppliers to the food industry, research institutes and universities, public health authorities and governmental organisations and was founded in 1989. The mission of EHEDG is to enable safe food production by providing guidance as an authority on hygienic engineering and design.

As an organisation, and as described in our Constitution, Internal Rules, and Code of Conduct, we operate to achieve full alignment and transparency. The EHEDG Code of Conduct, including Competition Law Compliance, reflects our history and our shared values as an organisation.

The Executive Committee of EHEDG has been assigned to lead this organisation. We do this with enthusiasm and dedication. Our culture is built on good decisions made through discussion and consensus.

This document is intended to give guidance to all members of EHEDG. Every one of us is accountable to understand our Constitution, Internal Rules, and Code of Conduct, and to exercise good judgment consistent with them. If you are ever uncertain about interpretations, do not hesitate to talk to any member of the Executive Committee.

In order to secure the legal protection of the documents or other products elaborated collectively by the participants in EHEDG activities, all participants are asked to accept terms and conditions for the assignment of the exploitation rights in their contributions to EHEDG.

EHEDG does not assume any liability for damage or loss directly or indirectly caused in relation to the interpretation, application or use of any of the products developed by EHEDG.

We ask you to review the full contents of this document and to reflect how this applies to your activities within EHEDG. Please consider the importance that you as a member can play to promote and secure the reputation of EHEDG worldwide.

The EHEDG Executive Committee, December 2020

● CONSTITUTION

Below follows the unofficial English translation of the official Dutch Legal Document of our Foundation.

NOTE ABOUT TRANSLATION:

This document is an English translation of a Dutch legal document. In preparing this document, an attempt has been made to translate as literally as possible without jeopardizing the overall continuity of the text. Inevitably, however, differences may occur in translation and, if they do, the Dutch text will govern by law.

In this translation, Dutch legal concepts are expressed in English terms and not in their original Dutch terms. The concepts concerned may not be identical to concepts described by the English terms as such terms may be understood under the laws of other jurisdictions.

TRANSLATION OF THE DEED OF AMENDMENT TO THE ARTICLES OF ASSOCIATION OF STICHTING EHEDG

>>>On this, the twenty-first day of December two thousand fifteen appeared before me, Casper Michael Jones, civil-law notary practising in Amersfoort, the Netherlands:

Marcus Jacobus Scholten, working under the responsibility of me, civil-law notary, choosing residence at Amersfoort, the Netherlands, Arnhemseweg 14, born in Leiden on the twenty-second day of May nineteen hundred eighty-five.

The person appearing declared:

- a. by notarial deed executed on the eighteenth day of January nineteen hundred ninety-nine before R.Th.A. Ruijs, at the time civil-law notary practicing in Maassluis the foundation: **Stichting EHEDG**, having its corporate seat at Maassluis, the Netherlands, hereinafter referred to as: the Foundation, having its office address at 1261 CE Blaricum, the Netherlands, Dokter Catzlaan 19, registered in the Dutch Trade Register under number 24290365, has been established;
- b. that the Articles of Association of the Foundation have been established in the said deed and have not been amended subsequently;
- c. that the Foundation Board of the Foundation at its meeting on the ninth day of December two thousand fifteen has decided to amend the article of association of the Foundation in whole;
- d. that the person appearing was authorized by that meeting to have this deed executed and to sign it;
- e. that the resolution and authorization mentioned above appear from minutes of that meeting, which are attached to this deed;

- f. the person appearing proceeded to confirm that the Articles of Association of the Foundation with effect from this day are amended and read as follows, pursuant to and in implementation of the said resolution:

• **Article 1 – Name and Seat**

The name of the foundation will be: **Stichting EHEDG** and may also act under the name: **Stichting European Hygienic Engineering Design Group**, hereinafter referred to as: Foundation.

The registered office will be situated in Naarden.

• **Article 2 – Object**

1. The objects of the Foundation are to form a well-balanced forum for suppliers of equipment and systems for the production of foods, users and legislators to discuss issues concerning the hygienic design and thus stimulate food safety and quality.
2. The Foundation shall try to achieve its object(s) among others by means of:
 - a. developing and publishing guidelines for the hygienic design of equipment, plant and buildings based on scientific findings.;
 - b. the development of test methods for third parties to determine whether systems meet the EHEDG guidelines and the inspection of the test institutes regarding the execution of the tests;
 - c. to maintain a certification scheme for equipment used in the food industry;
 - d. harmonizing the guidelines regulations with the European Union, 3A, NS, CEN, IDF, GFSI and ISO;
 - e. securing the intrinsic value of the EHEDG, including the correct use of the trademark and logos;
 - f. disseminating knowledge through the organisation of conferences, seminars and workshops and a website on the internet;
 - g. identifying (sub)areas for which insufficient information was obtained and to stimulate research in these areas;
 - h. forming a contact point (through the website and EHEDG Headquarters) for EHEDG, and furthermore all that is directly or indirectly connected or will be beneficial to this, all in the broadest sense.

• **Article 3 – Capital**

The capital of the Foundation shall consist of:

- Membership fees
- gifts, inheritances and legacies;

- grants and donations;
- revenues from sale of the EHEDG guidelines, organizing conferences, the use of the logos;
- all other acquisitions and benefits.

• **Article 4 – Bodies of the Foundation**

1. The Foundation has the following bodies:
 - a. Foundation Board;
 - b. Advisory Board;
 - c. General Assembly;
 - d. Executive Committee.
2. In addition, one or more (sub-)committees, working groups, institutes and departments can be set within the Foundation.

• **Article 5 – Foundation Board**

1. The Foundation Board of the Foundation, hereinafter referred to as: Foundation Board, consists of at least three (3) members. Members of the Foundation Board will be elected for a maximum term of four years and are eligible for one re-election for a maximum of two terms.
2. The General Assembly shall periodically elect a President, a Vice-President, a Secretary and a Treasurer who form the members of the Foundation Board. One person can fulfil the positions of Treasurer and Secretary.
3. If one (or more) interim vacancy (vacancies) in the Foundation Board should arise, the General Assembly will be informed as soon as possible. The General Assembly will take such measures that within three months after the vacancy (vacancies) in the Foundation Board arise(s), one (or more) successor(s) will be appointed by a resolution. In that case the appointment shall be for the remaining term of the concerning position.
4. If the Executive Committee will not provide in the vacancy (vacancies) (in time), the other members of the Foundation Board will unanimously provide in the vacancy (vacancies).
5. If for any reason whatsoever one or more members of the Foundation Board should be lacking from the Foundation Board, the remaining members of the Foundation Board or the only remaining member of the Foundation Board shall nevertheless constitute a lawful Board.
6. The members of the Foundation Board will not receive remuneration for their activities. They are entitled to a compensation of the expenses made in the fulfilling of their offices, to be determined every year by the Executive Committee.

- **Article 6 – Authorization Foundation Board and Representation**

1. The Foundation Board is charged with the management of the Foundation.
2. The Foundation Board shall not be authorized to resolve or to enter into agreements regarding the purchasing, alienating or encumbering registered property, furthermore the Foundation Board shall not be authorized to enter into agreements under which the Foundation commits itself as surety or joint and several debtor, warrants performance by a third party or provides security for the debt of a third party.

- **Article 7**

1. The Foundation Board is charged with the implementation of the decisions of the Foundation Board. The Foundation Board represents the Foundation in and out of court.
2. The Foundation shall be represented by two jointly authorized members of the Foundation Board.

- **Article 8 – Meetings and Decisions of the Foundation Board**

1. The Foundation Board shall hold a meeting when the President, the Vice-President or the Treasurer/Secretary considers it desirable.
2. Meetings will be convened by the Treasurer/Secretary. The subjects to be addressed in the meeting will be registered in minutes by the Treasurer/Secretary of the meeting, or, at the President's request, by any other person present. The persons who acted as chairman and Treasurer/Secretary of the meeting will address the minutes.

Each member of the Foundation Board has the right to inspect the minutes.

3. The Foundation Board may adopt resolutions in a meeting as well as outside a meeting. In the latter it is provided that all members of the Foundation Board are given the opportunity to express their opinion in writing.
4. Every member of the Foundation Board has one vote.

Provided these articles do not decree a larger majority, all resolutions will be adopted by absolute majority of the submitted votes.

5. All votes will be oral, unless a member of the Foundation Board requests a vote by ballot or one of the members has requested a vote by ballot in advance.

Votes by ballot must be cast by unsigned and sealed ballots.

6. If the votes are equally divided in an election, one revote shall be taken at the same meeting. If the votes are equally divided again in such revote, it will be decided in an interim vote between which persons a revote will take place.

If the votes are tied in the interim vote or revote, the matter will be decided by drawing lots.

7. If the votes are equally divided on a motion other than a motion as referred to above in paragraph 7, the motion shall be defeated.

- **Article 9 – End of Foundation Board Membership**

The membership of the Foundation Board ends:

- a. As a result of new elections;
- b. as a result of death of a member;
- c. when a member (partially) loses the free control of his property;
- d. by written resignation;
- e. dismissal on legal grounds;
- f. dismissal by the Executive Committee for unsatisfactory performance of the concerning member of the Foundation Board, which resolution may be adopted by the Executive Committee with a simple majority.

- **Article 10 – General Assembly**

1. The Foundation has a General Assembly, hereinafter referred to as: General Assembly. The General Assembly consists of companies, institutions and organisations that have a contractual relationship with the Foundation and which are considered to be an affiliate.
2. The composition, the manner of holding meetings, distribution of votes and the powers of the General Assembly shall be worked out in more detail in bylaws.

- **Article 11 – Advisory Board**

1. The Foundation has an Advisory Board, hereinafter referred to as: Advisory Board, which consists of one or more members. The Executive Committee determines the number of members.
2. The Advisory Board and each member of the Advisory Board separately, have the task of solicited and unsolicited advice to the Foundation Board and the Executive Committee.
3. Members of the Advisory Board are elected by the General Assembly, for a term not exceeding four years. Members of the Advisory Board can be re-elected once for maximum two terms in a row.
4. Only affiliates of the Foundation may be elected as a member of the Advisory Board.
5. The composition, the manner of holding meetings, distribution of votes and the powers of the Advisory Board shall be worked out in more detail in bylaws.

- **Article 12 – Executive Committee and (Sub)Committees**

1. The Foundation has an Executive Committee, hereinafter referred to as: **Executive Committee**. The Executive Committee aims to draw up a strategy for the Foundation, including budget, compensation and planning, executing and coordinating the plans and

programs of the Foundation and the management of (Sub)Committees. The activities can be extended in bylaws as referred to in Paragraph 4 hereinafter.

2. The Executive Committee consists of the members of the Foundation Board, together with the Chairs and Co-Chairs of the (Sub)Committees within the Foundation. The Chairs and Co-Chairs of the (Sub)Committees are appointed by the Foundation Board, upon nomination by the President of the Foundation Board, for a term not exceeding three years. If the Foundation Board requires, it may adopt a resolution to suspend or dismiss the aforementioned Chairs and Co-Chairs. The Chairs and Co-Chairs of the (Sub)Committees can be reappointed up to two times.
3. In addition to the Executive Committee, other (Sub)Committees may be set.
4. The composition, the manner of holding meetings, distribution of votes and the powers of the Executive Committee and each (Sub)Committee shall be worked out in more detail in bylaws.

- **Article 13 - Bylaws**

1. The Foundation Board is authorized to adopt bylaws in which provisions are stipulated with respect to matters not laid down in the Articles of Association.
2. The bylaws may not conflict with the applicable law or the Articles of Association.
3. The Foundation Board is always entitled to amend or to revoke the bylaws.
4. The provisions of article 14 paragraph 1 of the Articles of Association shall apply to the resolution to adopt, amend and revoke the bylaws.

- **Article 14 – Amendment of the Articles of Association**

1. The Foundation Board is entitled to amend the Articles of Association. A resolution of amendment of the Articles may be adopted by unanimous votes at a meeting, at which all the members of the Foundation Board are present or represented or by resolution outside a meeting, provided that all members of the Foundation Board have cast a positive vote in writing.
2. Subject to being declared void, the amendment of the articles must be effected by means of a notarial deed.

Every member of the Foundation Board is entitled to execute this deed.

3. The members of the Foundation Board are obliged to file an officially certified copy of the notarial deed of amendment, including the amended articles of the Foundation, at the office of the Trade Register of the Dutch Chamber of Commerce.

- **Article 15 – Dissolution and Liquidation**

1. The Foundation Board is entitled to dissolve the Foundation. The provisions of article 14 paragraph 1 of the articles of the Foundation are applicable.
2. The Foundation continues to exist after its dissolution as far as necessary to liquidate its capital.
3. The Foundation Board shall effectuate the liquidation.

4. The liquidators shall file the dissolution of the Foundation at the office of the Trade Register of the Dutch Chamber of Commerce as mentioned in article 14 paragraph 3.
5. During the liquidation, the provisions of the Articles of Association of the Foundation shall apply when possible.
6. If liquidation results in a surplus, it will be used on behalf of a public benefit organisation (in Dutch: Algemeen Nut Beogende Instelling) with objects that are most in line with the objects of the Foundation or a foreign institution which is intended to exclusively or almost exclusively representing the public interest and which has similar objects as the Foundation.
7. After conclusion of the liquidation of the Foundation the books and records of the Foundation must be kept for seven years in the custody of the liquidator, being the youngest in age.

- **Article 16 – Final Provisions**

All matters not provided for either by the law or these articles will be decided by the Foundation Board.

• INTERNAL RULES

The below described Internal Rules are additional to our Constitution and the purpose is to have guidance in how to operate the EHEDG organisation.

• Article 1 – President, Vice-President, Secretary and Treasurer

The presidency should rotate among the member companies.

• Article 2 – Organisational structure

The EHEDG organisational diagram is shown below (Fig. 1).

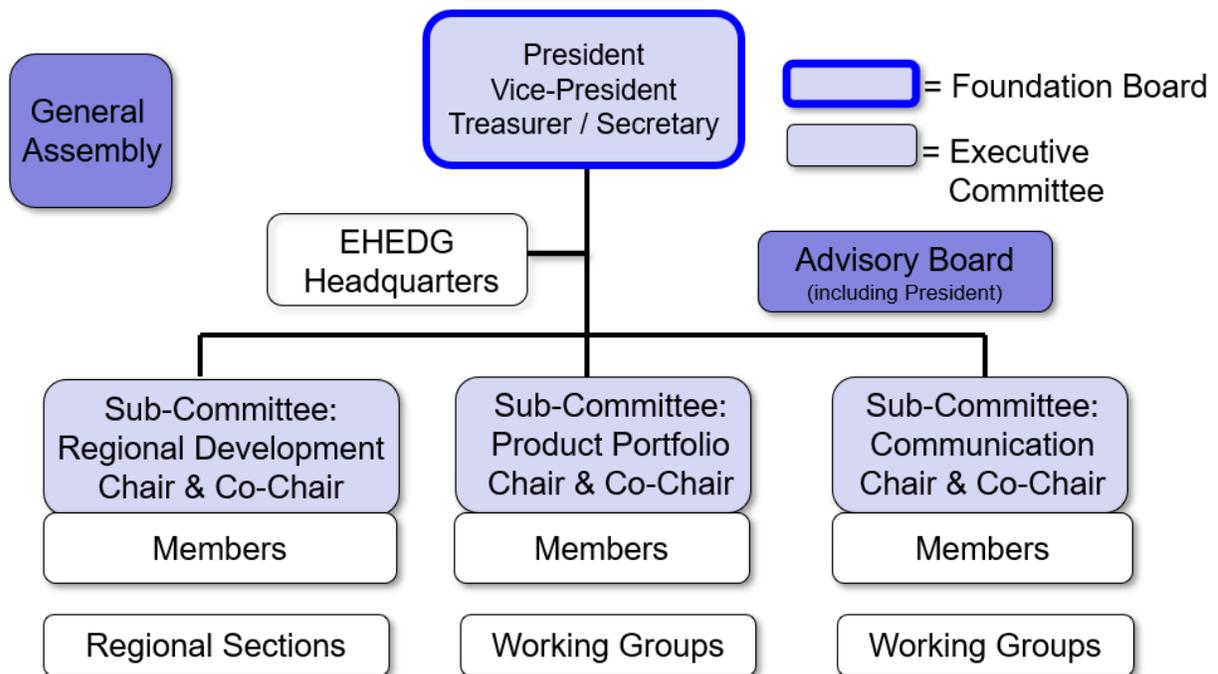


Fig. 1: Organisation diagram EHEDG.

• **Article 3 – Advisory Board**

The Advisory Board consists of the President and company member representatives, preferably two from food producers, two from equipment manufacturers, two from service suppliers and engineering companies, in total seven (7) Board members.

The Advisory Board advises on:

- Mission, vision and strategy
- Yearly program and budget
- Appointment of the Executive Committee.

The Advisory Board meets at least once a year. The President provides the Advisory Board with relevant information for review.

• **Article 4 – Executive Committee**

Any EHEDG member may nominate candidates to the Executive Committee. The role of the Executive Committee is to:

- Develop a strategy for EHEDG with annual budget, fees and plans
- Secure approval by the Foundation Board
- Drive implementation of the plans.
- Approve and support Sub-Committee programs
- Manage daily operation and matter through the EHEDG Headquarters
- Organize elections
- Communicate important decisions, progress and accomplishments to the members.

The Executive Committee meets at least three times per year, with a standard agenda as described in Bylaw 2. The Executive Committee decisions shall be taken by absolute majority of the votes.

• **Article 5 – Sub Committees**

The Sub-Committees consist of a Chair, a Co-Chair and members who are appointed by the Sub-Committee Chair. Any EHEDG member can propose candidates for the Sub-Committees. At the date of the enforcement of the present Constitution, the following Sub-Committees are installed:

- Regional Development
- Product Portfolio
- Communication

The Sub-Committee structure can be modified by the Executive Committee subject to new EHEDG needs.

The role of Sub-Committees is to lead and develop the specific strategies and programs in relation to their area of responsibility.

Sub-Committee Chairs report progress at Executive Committee meetings.

• **Article 6 – General Assembly**

The General Assembly consists of the assembly of all members excluding the Individual members.

The only role of the General Assembly is to elect the President, the Vice-President, Treasurer/Secretary and the members of the Advisory Board. Elections by the General Assembly will take place every two (2) years.

Each Industry Member Company member and Institute shall designate one representative and shall communicate his/her name to the EHEDG Headquarters.

Industry Member Companies and Institutes are granted voting rights. Five classes are defined (see Bylaw 1), with five rights for the largest companies (>500 Million €) and one for the smallest (<1 Million €) and the Institutes. Individuals have no voting rights.

The General Assembly does not have to be a physical event.

• **Article 7 – Regional Sections**

Regional Sections are established for the coordination of activities within a country or a geographical cluster. The name of Regional Sections shall have the following structure: “EHEDG [Region name in English]”, e.g. “EHEDG Germany”.

The Executive Committee takes the decision as regards the formation or disbanding of Regional Sections. The decision is based on a proposal from the Sub-Committee informing about the Constitution according to national legislation, the organisation and the financial resources of the proposed Regional Section. Formation of Regional Sections shall follow Bylaw 3.

In coordination with the Sub-Committee Regional Development, Regional Sections:

- Promote the mission of and stimulate membership in EHEDG
- Organize and/or participate in events, seminars and training courses
- Translate Guidelines into national languages and disseminate technical information
- Promote certification and testing of equipment
- Communicate regional developments, which might impact safe food production, as a basis for improvement of guidelines

- Provide an annual activity report.

Regional Sections shall not initiate new initiatives or develop own products without prior consultation and agreement of Sub-Committee Regional Section and Product Portfolio.

EHEDG may provide initial funding for the establishment of new Regional Sections. Regional Sections prepare an annual budget for all costs resulting from their activities.

The budget is submitted to the Treasurer for information. Funds may be provided by EHEDG to support certain regional events and activities.

The objective is for each Regional Section to operate with a breakeven budget. Losses will not be compensated by EHEDG Headquarters, unless approved in advance.

Regional Sections have no membership.

- **Article 8 – Working Groups**

Working Groups are established for the creation and maintenance of EHEDG products.

The Executive Committee takes the decision as regards the formation, reestablishment or closing of Working Groups.

The Sub-Committee is responsible to collect and evaluate proposals from any member, and to provide information to the Executive Committee for decision. This information should include the title and scope for the suggested Working Group, give an outline for the draft document and an agenda including the date of work completion. Preferably, the proposal should include the name of a potential Chair and members.

Once the establishment or re-establishment of a Working Group has been decided, the EHEDG Headquarters shall launch an official call for experts. Nominations of the Working Groups and designation of the Chair are supervised by the Sub-Committee.

Working Groups provide an annual activity report to the Sub-Committee that is in charge of their supervision, and shall be closed after their work has been published or in the case of more than one year of inactivity.

Financial support may be requested according to Bylaw 6.

- **Article 9 – Test Institutes**

Only Test Institutes approved by EHEDG are authorized to certify equipment that complies with the EHEDG hygienic design criteria and to issue EHEDG certificates.

Any independent establishment with the appropriate skill, qualification and installation may apply to become an EHEDG Test Institute per EHEDG Approval Procedure.

The Sub-Committee Product Portfolio is responsible for monitoring the activities of the approved Test Institutes and shall provide an annual activity report to the Executive Committee, who can decide to maintain, withhold or dismiss the agreement with a test institute according to criteria and approval principles described in Bylaw 4.

The “EHEDG Certified Equipment Logo” can only be utilized under the conditions listed in the Bylaw 5.

• **Article 10 – Membership**

EHEDG membership is voluntary, and can only be registered at the EHEDG Headquarters.

Members can be:

- Industry companies
- Institutes
- Individuals
- Students

The category “Industry companies” includes all type of industry stakeholders e.g. food producers or retailers, equipment manufacturers, service suppliers and engineering companies.

The category “Institutes” includes e.g. professional societies, research institutes, universities, food industry federations, industry associations, government institutions.

The category “Individuals” includes e.g. researchers belonging to Academia or Institutes that are not EHEDG members. The Foundation Board may accept individuals as honorary members of the Executive Committee without voting rights in recognition of extraordinary services provided to EHEDG.

Individuals employed by Industry Companies can only participate in EHEDG through Company membership.

Membership duties could include:

- Promote the mission of and stimulate membership in EHEDG
- Active participation in General Assembly and EHEDG bodies
- Provide feedback on EHEDG services
- Provide comments on draft documents

The “EHEDG Membership Logo” can only be utilized under the conditions listed in Bylaw 5.

• **Article 11 – Membership Termination**

Membership shall be terminated by:

- Voluntary withdrawal
- Discontinuance of business or activity
- Opening of insolvency proceedings
- Expulsion.

The voluntary withdrawal must be by registered by letter to the EHEDG Headquarters before the 30th of September. Full payments for the following year are due after that date.

In cases of discontinuance of business, opening of insolvency proceeding or discontinuance of activity, the membership shall end on the day of this event. This is to be forwarded to the President in form of registered letter.

An expulsion will be initiated if the annual fee is not paid after a second reminder. Upon expulsion, the rights and obligations of the affected member shall be considered interrupted until a final decision has been made by the Executive Committee.

On the day of expulsion, the affected member shall lose every legitimate demand for assistance and support offered by EHEDG. Paid dues and contributions will not be reimbursed.

• **Article 12 – Affiliations**

EHEDG strives to coordinate with organisations pursuing the same or related objectives aiming at improving food safety. Examples of such organisations are professional associations, standardization bodies and Codex Alimentarius Committees. Specifics of affiliation of Regional Sections can be found in Bylaw 5.

The Executive Committee takes the decision to affiliate with such organisations.

• **Article 13 – Financials**

EHEDG has full transparency in terms of financial aspects and accounts are available to all members. The fee structure of Industrial companies is based upon their global food-related turnover while fees are fixed for Institutes and Individuals, as described in Bylaw 6. Fees shall be paid in advance of the incoming year.

Annual operating budget are prepared based on established strategy and priorities for each calendar year by the Treasurer and approved by the Executive Committee. Reporting of results and balance sheets are done at each Executive Committee meeting. Significant deviations shall be addressed immediately. The budget will account for EHEDG Headquarters expenses. Reimbursement of travel expenses for participation in EHEDG activities for participants who have no other source of financing will be done by the Treasurer in accordance to Bylaw 6.

In case of outsourcing of projects this should always be carried out in a competitive manner with a formal tender process.

In advance of each calendar year, the Regional Sections are obliged to present their budget for information and requests for funds for events which shall be approved by the Executive Committee and incorporated in the EHEDG budget before submission to the Advisory Board.

EHEDG is striving for a strong balance sheet and strives to close out the financial year with a reserve level equal to one year's expenses in order to manage unforeseen expenses.

Financial audits are performed every two years by member companies on a rotating basis. The audit report shall be included in the annual reviews by Executive Committee and Advisory Board.

In order to cover the expenses of EHEDG, annual fees are collected from the members, according to Bylaw 6. Five levels of subscription fees of Industry companies are based on their food-related turnover. Other fee levels are defined for the Institutes and the Individuals. The fees shall be reviewed by the Executive Committee and agreed by the General Assembly at least every two years.

- **Article 14 – EHEDG Code of Conduct including Competition Law Compliance, Conflicts of Interest and Legal Protection**

All member shall follow the EHEDG Code of Conduct as described in the document below. Any member shall report any interest that might conflict or be perceived as a conflict with activities and /or decisions in which they participate. These matters of conflict shall be reported to the Executive Committee, and feedback must be provided to the member.

In order to secure the legal protection of the documents or other products elaborated collectively by the participants in EHEDG activities, all participants are asked to accept terms and conditions for the assignment of the exploitation rights in their contributions to EHEDG. Details on the terms, conditions and exploitation conditions of the intellectual contributions are described in the respective agreement which is one of the Subcom Product Portfolio procedures.

Forms of exploitation: The assigned exploitation rights cover the right to reproduce, adapt, distribute, sub-distribute, adjust, translate, rent, lend, derive revenue from duplication and loan, communicate to the public in total or in part, in summary or with comments, transfer all exploitation licences and authorize all sub-distribution. The exploitation rights cover all languages and all forms of exploitation known at present, in particular and non-restrictively: publication by all means and all graphical support systems, print, press, photocopy, microfilms, and via all magnetic, computerised and numerical support systems, memory cards, CD-Roms (CD digital compact discs), films, photographs, slides, teledistribution, cable, satellite and on-line document servers and networks.

EHEDG does not assume any liability for damage or loss directly or indirectly caused in relation to the interpretation, application or use of any of the products developed by EHEDG.

- **Article 15 – Language**

English shall be the language used for internal and external communication of EHEDG. Regional Sections may use other languages when needed.

- **List of Bylaws**

Bylaw number 1 – Election Procedures

Bylaw number 2 – Executive Committee

Bylaw number 3 – Regional development

Bylaw number 4 – Product portfolio

Bylaw number 5 – Communication

Bylaw number 6 – Financial

Bylaw number 7 – Amendments and liquidation

● **CODE OF CONDUCT**

Why do we have a Code?

EHEDG's Code of Conduct outlines our shared ethical standards for conducting activities throughout the world and serves as a guide when you have questions or face dilemmas where the right choice is not clear.

The Code is grounded in our 6 principles stated below, the foundation that supports all of the EHEDG activities, along with our individual actions and decisions as EHEDG participants. It also summarises key compliance policies, highlighting issues that can have significant legal and ethical consequences if handled improperly and providing guidelines for appropriate action.

Who must follow our Code?

Our Code applies to all participants in the EHEDG organisation. The EHEDG network is open to individuals, companies and institutes – i.e. they are not necessarily competitors rather experts covering the whole process chain in hygienic food manufacturing.

What does the Code require from me?

As participants of EHEDG, we are each accountable for following our Code and exercising good judgement consistent with it. We are also responsible for reporting Code violations that we learn about or experience. Participants of EHEDG who fail to comply with our Code - including those who fail to report Code violations - may face disciplinary action, up to and including termination of their membership.

Potential EHEDG members can only be rejected if they do not satisfy membership requirements according to our Internal Rules or in case their joining would damage the reputation of the consortium.

This document is intended to summarise what is expected of EHEDG associates and all being active or contributing should have received, read and accepted the present guide. They should actively follow these rules at all times.

At every meeting, the participants will be reminded of their obligations in relation to the Code of Conduct.

What should I do if I learn about or suspect misconduct?

Reporting misconduct takes courage, but it's the right thing to do. EHEDG will not tolerate retaliation against anyone who, in good faith, raises a concern or participates in an investigation. Anyone who intentionally raises false accusations or provides false information shall face disciplinary action.

We take all reports of potential misconduct seriously and handle them promptly, fairly and as confidentially as possible.

What will happen if someone does not follow the Code?

If misconduct is detected or reported, a thorough investigation will be performed. The individual(s) will be warned and if the misbehavior is repeated, the Executive Committee shall decide on disciplinary action, possibly including expulsion from membership or other legal action.

1. We follow the law.

Following the law is the foundation on which our reputation and Guiding Principles are built. As a global organisation privileged to perform activities all over the world, we have the responsibility to comply with all applicable legal regulations.

Following Applicable Laws

EHEDG conducts activities globally and our associates are citizens of many countries. As a result, our activities are subject to the laws of many different jurisdictions. Some laws extend beyond a specific country's borders. For instance, the anti-trust law imposed by national competition authorities and the European Commission. We are each responsible for following all of the laws that apply to our activities. At times, you may encounter a conflict between various laws that apply to our activities. If you encounter a conflict or have any concerns about whether something is legal, please contact the EHEDG Headquarters for guidance.

2. We conduct our activities with integrity.

We conduct our activities with integrity. We do not offer or accept bribes or inappropriate gifts and we comply with the laws and regulations that support fair activities and integrity.

Anti-Bribery

EHEDG does not offer or accept bribes or other corrupt payments, regardless of local practice. Bribery is illegal in all our activities, and it can cripple EHEDG's long-standing reputation for conducting activities with integrity. A bribe is giving or offering to give something of value to someone in exchange for getting any other advantage. Never directly or indirectly offer, give, solicit, or accept any form of bribe or other corrupt payment. Select third parties who we are working with carefully (e.g., representatives, consultants etc.). Do not allow such third parties to offer or accept a bribe, as you and EHEDG may be held responsible for their actions.

Gifts and Entertainment

Used correctly, gifts and entertainment can promote goodwill and reinforce strong relationships. In some cultures, gifts may be customary and expected. However, because gifts and entertainment carry value for the recipient, it's important to consider them carefully and avoid situations in which they might diminish – or appear to diminish – your objectivity or someone else's.

Fair Competition

It is the policy of EHEDG strictly to comply with applicable antitrust and competition laws, including the laws of the European Union and the national laws of each Member State. On May 1, 2004 a

new EU regulation on the enforcement of competition law came into effect prescribing to impose a fine of up to 10% of annual turnover on companies involved in an infringement of these legal regulations. When setting the fine, the antitrust authorities have a great deal of discretion within the prescribed framework which is virtually unforeseeable for the undertakings and therefore very hard to verify.

Both the National Competition Authorities and the European Commission have the right to demand information in connection with matters of relevance for competition law purposes or to inspect documents. The anti-trust authorities make use of this right of information not only when prosecuting cartels, but also in particular in investigations in connection with mergers and acquisitions.

Conducting activities in compliance with these laws has contributed to EHEDG's growth throughout the years. While these laws are complex and can vary from country to country, they generally prohibit competitors from working together to limit competition. All EHEDG volunteers are expected to follow competition laws, as well as EHEDG's own below policies regarding competition. All volunteers must also be careful when interacting with competitors - for instance, in connection with trade associations and benchmarking. It is the responsibility of the chairman leading any EHEDG Working Group meeting to prevent any unacceptable agreements infringing competition law from being made. There shall be no informal discussions "off the agenda" about topics of relevance from a competition law perspective. Resolutions taken at the meeting must be recorded in the minutes so that the discussions leading up to the resolution are verifiable.

It is never acceptable to engage in fraud, misrepresentation, trespassing or other illegal or unethical methods to obtain competitive intelligence.

EHEDG is neither producing statistics or reports on the market situation nor does the consortium deal with price policy, market and business development matters or trade fair promotion. Thus, the EHEDG working groups do not discuss or even exchange any sensitive economic data such as prices and price components, company strategies and internal company data which might be used by competitors to benefit from a strategic advantage.

Intellectual Property

EHEDG associates respect the copyrights of the EHEDG organisation as well as the intellectual property rights of individuals and companies outside of EHEDG. We will not attempt to obtain their confidential information, or otherwise use their intellectual property, inappropriately.

Intellectual property includes trademarks, copyrights, designs, patents and trade secrets. In some contexts, trade secrets are also known as confidential information or know-how.

If you discover you have received confidential information that doesn't belong to the EHEDG organisation, or may be using another's intellectual property without having the rights to do so, contact the EHEDG Headquarters for assistance. We do not use proprietary information learned through EHEDG activities for personal gain.

Additionally, when a party entrusts EHEDG with its confidential intellectual property, it has to be ensured that it complies with all contractual commitments and restrictions regarding its use.

Not only to protect the EHEDG, but especially its associates from fines, indemnification claims and a bad reputation in the eyes of the public, the EHEDG consortium shall keep strictly within legal boundaries and all agreements contributing to a restriction of competition among its members are prohibited. Antitrust and competition laws are complex and their violation would be a serious and severe matter for EHEDG and its associates. Therefore, participation in EHEDG must comply with certain principles and rules.

By no means shall the EHEDG work increase the risk of uniform behavior if competitors linked to the EHEDG exchange information and discuss their common interests. EHEDG aims to avoid even that any unobjectionable exchange of experience may constitute the preliminary stage to a concerted practice. Any resolution of EHEDG which infringes the ban on cartels is null and void and allows the antitrust authorities to issue prohibitive injunctions or to impose fines.

3. We keep accurate and transparent records.

Accurate and transparent records are critical to making sound organisational decisions and maintaining the integrity of our financial reporting. Our organisational information, in whatever form, must reflect the true nature of our activities.

To fulfil its tasks and within the scope of its activities, EHEDG holds various kinds of meetings a year such as regional events to define the future local activities, working group meetings to develop the EHEDG guideline documents and training material, the test methods and certification standards as well as an annual Plenary Meeting. The monitoring of meetings is manifested by adequate and detailed note-taking and is documented in written meeting minutes which are sent out to the participants. When writing up the minutes, attention is paid to clear and unambiguous wording to reproduce correctly the course of the meeting.

It is essential that EHEDG associates who attend or lead any kind of EHEDG meetings are aware and sensitive about agreements, resolutions, etc. which are no longer within the legal boundaries. This holds equally true for the representatives of companies who attend the events held by EHEDG. Only subjects linked with the purposes of EHEDG should be discussed at a meeting.

If someone starts discussing one of the following topics, the attendees should object, restate the EHEDG policy with respect to antitrust compliance and (if necessary) leave the meeting. Furthermore, they should contact their legal department and/or the person within their company or association who invited them.

The following or similar topics shall never be discussed and any such information exchange shall be avoided, whether formally or informally, before, during or after an EHEDG meeting:

- Boycott of EHEDG non-associated companies and/or boycott of their customers or suppliers;
- Market sharing;
- Supply arrangements;
- Prices, pricing or the timing of price changes;
- Decisions to quote or not to quote product or service offerings;

- Sales volumes of EHEDG associated companies;
- Investment decisions and/or R&D spending's of EHEDG associated companies.

Representatives of EHEDG partner organisations (such as 3-A Sanitary Standards or any other invitees) may attend EHEDG meetings and review meeting minutes, handwritten notes, the relevant (e-mail) correspondence and other related documentation as well as publications.

If the requirements presented above are not complied with, EHEDG is aware that there is an increased risk that not only its associates who were involved in such an agreement will be fined but also EHEDG itself.

If the EHEDG Executive Committee becomes aware of any non-compliance to above guide by any of its associates, it will review this situation and take appropriate decisions.

4. We honour our organisational obligations.

Our organisational relationships are grounded in mutual trust, and have been throughout EHEDG's history. We build and maintain the trust and confidence of our stakeholders, associates/participating subject matter experts, and other organisational partners by communicating honestly, respecting information entrusted to us and standing behind our commitments.

EHEDG aims to provide practical guidance on hygienic engineering and design in all aspects of food manufacture and is offering a platform to discuss technical developments and best practices under hygienic design aspects.

A major task of EHEDG is to provide guidelines and recommendations on essential hygienic design standards and practices, based on science and technology and to periodically review them. These documents provide guidance to equipment manufacturers and users on compliance with national and international legislation. However, the EHEDG guidelines are non-binding documents and industry is free to follow or not.

Our financial information is relied upon by our Executive Committee, Board, and Advisory Board and all EHEDG members. It's also used when preparing reports for tax and statistical purposes. When compiling and sharing our financial information, we comply with all applicable legal regulations for EHEDG's consolidated financial statements as well as with our legally accepted ANBI Status as a Dutch Foundation and Organisation for Public Benefit. We prepare and file our tax filings in accordance with Dutch taxation law. Any EHEDG associate/participating subject matter experts, who supplies information for financial or tax purposes must provide it in a timely manner and certify both the accuracy of the information and their compliance with EHEDG policies. Failure to provide timely and accurate information to the EHEDG Headquarters can result in significant legal risks for EHEDG. For additional guidance, contact the EHEDG Headquarters and bookkeepers.

Trust in Relationships

Honouring our organisational obligations goes beyond just meeting our responsibilities. We want to demonstrate that we approach our relationships with our associates, stakeholders, other partners, and one another from a standpoint of mutual trust.

This means we communicate honestly about our products and services in our conversations, contracts, emails and all other communication.

5. We treat people with dignity and respect.

We achieve our goals through our people. We value the unique contributions of our participating subject matter experts, enabling those who support EHEDG's goals to achieve their own individual potential.

Human Rights

We respect human rights and support global efforts to protect them, working with organisations and governments to address this challenging issue that we alone cannot solve. We follow all laws and regulations, including those that support equal rights and the elimination of discrimination.

Strength through Diversity

EHEDG embraces a wide variety of backgrounds and life-experiences. As an organisation, we offer the perspectives of different genders, ages, languages, local customs, physical abilities, races, religions, sexual orientations, gender identities, life experience and socioeconomic status, and we vary in our personal styles of thinking, expressing ourselves and problem-solving.

To be successful as a global organisation, each of us has to demonstrate respect for those who are different from ourselves. This includes recognising that our own way of thinking is not the only way, and that when diverse backgrounds lead to diverse viewpoints, this is not a weakness. In fact, our differences make us stronger and better able to serve the needs of our global organisation. Illegal discrimination and retaliation against anyone for either sharing a concern or participating in an investigation has no place in the EHEDG organisation. This applies to the way we treat each other, along with anyone else we interact with.

Alcohol and Drugs

The misuse of drugs, alcohol and other controlled substances can threaten the safety, health and productivity of our members. We prohibit the possession or consumption of illegal drugs during EHEDG events. While alcoholic beverages may be served at EHEDG social functions, this should be done with care.

Harassment and Violence

We all have a right to work in an environment that's free from violence or unlawful harassment. In the EHEDG organisation, we will not tolerate:

- Harassment in any form
- The use of physical force intended to cause bodily harm
- Acts or threats that are intended to intimidate someone or cause them to fear bodily harm

This applies to the way we treat each other and anyone else we interact with. Each of us is responsible for conducting ourselves in a manner consistent with our harassment and violence policies. If you witness or learn about harassment, violence or threats of violence, you should report it immediately to the EHEDG Executive Committee.

6. We protect EHEDG's information, assets and interests.

We count on one another to safeguard and act as stewards of our organisation. To preserve the values of EHEDG, we protect the information and assets entrusted to us and avoid situations that may let personal interests influence our organisational judgment.

EHEDG Property and Resources

Each of us is responsible for safeguarding EHEDG property and resources made available to us in the course of our activities. Our property and resources include both physical assets, such as our materials and equipment, as well as communication systems, such as our Internet service, EHEDG logos and certification logos. For more information, please see our policies regarding the use of the EHEDG logos.

Political Activity

EHEDG respects the right of its associates and participating subject matter experts to participate in the political process and in any political activities they choose. However, our participating subject matter experts must keep personal political activities and views separate from EHEDG activities. Do not use EHEDG's resources, like our facilities, email or logos for your own political activities and avoid giving any impression that EHEDG sponsors or endorses any political opinion that you hold.